1967

An Analysis of Per Capita Costs for Selected County Functions in South Dakota

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AN ANALYSIS OF PER CAPITA COSTS FOR SELECTED COUNTY FUNCTIONS IN SOUTH DAKOTA

BY

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A thesis submitted
in partial fulfillment of the requirements for the
degree Master of Science, Major in
Economics, South Dakota
State University

1967

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This thesis is approved as a creditable and independent investigation by a candidate for the degree, Master of Science, and is acceptable as meeting the thesis requirements for this degree, but without implying that the conclusions reached by the candidate are necessarily the conclusions of the major department.

Thesis Adviser Date

Head, Economics Department Date

ACKNOWLEDGMENTS

The author wishes to express his sincere appreciation to Dr. John Thompson, thesis adviser, for his assistance, guidance and encouragement. Appreciation is also expressed to Dr. William F. Railing and Dr. S. Ray Schultz, previous advisors, and to all others who assisted in making this study.

The author also acknowledges the assistance of those who read the manuscript and presented helpful comments. Gratitude is expressed to Mrs. Pat Dooley for typing the manuscript.

This thesis is dedicated to the author's wife, Barbara, whose understanding and encouragement made the completion of this thesis possible.

B.V.B.

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CHAPTER I

INTRODUCTION

South Dakota had a greater number of local governments per 100,000 inhabitants than any other state in the United States in 1962.[1] This fact suggests the existence of economic inefficiency in the operation of local governments in South Dakota.

The people of South Dakota are demanding more services from their governments. Governmental functions are becoming more expensive, partly because of providing more and higher quality services, and thus the taxes are increasing.[2] Taxes are of constant concern, perhaps greater concern than usual, among the people of South Dakota. South Dakota is sparsely populated, and a relatively large percentage of its inhabitants are in the older age group as well as in the young group. This, along with the fact that there is an out-of-state migration of young adults, means that there is a smaller portion of persons in the working age group in South Dakota to share the increased tax costs.[3]

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[1]United States Bureau of the Census, Census of Governments: 1962. Government in South Dakota, Vol. VII, No. 41 (Washington: Government Printing Office, 1964), p. 8.

[2]Committee for Economic Development, Modernizing Local Government, A Statement by the Research and Policy Committee (New York: Committee for Economic Development, 1966).

[3]Marvin P. Riley, "The Changing Age Structure of South Dakota Population; 1950 to 1960." (unpublished manuscript, Department of Rural Sociology, South Dakota State University, Brookings, on file 1967).

A possible solution to this problem would be to curtail available public services. However, it is not expected that this would be acceptable to the people. Other adjustments of services and costs of public services may be more realistic. It might be possible to reduce the costs of governmental services by consolidating local governmental units in order to create larger, more efficient units. Consolidation of functions could also be considered. The purpose of any adjustment should be to provide higher quality services at the same costs, to provide the same services at reduced cost or to achieve some combination of these two effects.

The purpose of this study is to review selected functions of local government, analyze the economic efficiency of these functions and to suggest alternative measures for achieving higher levels of efficiency in providing these selected services demanded by the people of the State.

Organization of Thesis

This thesis is divided into three major parts: (1) Following the review of literature, a brief examination is made of the origin and development of county government in South Dakota, with some comments on the appropriateness of its particular functions in relation to the state's present social and economic structure. Recent studies on modernizing county governments are reviewed and considered in relation to South Dakota's situation; (2) The financing of certain county governmental functions in South Dakota is reviewed and analyzed.

Chapter III is an investigation of comparative costs, among South Dakota counties, of selected county governmental functions. A consideration of economic efficiency of selected governmental functions among counties of various sizes is included; (3) Presentation of opportunities for improving the efficiency of operation of South Dakota's county governmental functions. Chapter IV is a discussion of possible alternatives for modernizing South Dakota's county governments and county functions.

This thesis will be limited to a study of only those county functions where the financing is exclusively a county responsibility. Expenditures for welfare, highways, and education, therefore, will not be investigated in this study. While these functions are major in terms of tax costs, there is a substantial amount of overlapping in financing between various levels of government--local, state and federal. The scope and responsibility of these three functions extend far beyond the control of county officials. Because of the scope of, and inter-governmental relationships in financing welfare, highways, and education a separate study for each would be justified.

Review of Literature

Some studies, which are reviewed below, investigate the causes of high per capita costs of local government and propose solutions for these problems of high cost. The relationship of people to governmental function appears to be one of the main reasons for variations in per capita costs. Solutions commonly proposed are to consolidate

governmental units to achieve more people per unit, to increase efficiency primarily by means of consolidation of functions, or to create a unit administrator.

None of the cited literature investigates in detail the per capita costs of county functions in South Dakota. The only study for South Dakota is a 1960 investigation of the proposed consolidation of two South Dakota counties.[4] It was felt, therefore, that a detailed study of the cost of county functions for all South Dakota counties would provide guidance in seeking possible solutions for achieving higher levels of efficiency in providing quality government services for the people of the State.

The following literature pertains to the subject of this thesis.

An investigation of county consolidation in South Dakota with special reference to Buffalo and Jerauld counties was made by the Governmental Research Bureau of the University of South Dakota.[5] This report investigated the question of county consolidation in South Dakota, with emphasis on possible consolidation of Buffalo and Jerauld counties. Procedures for county consolidation were explained and a timetable for consolidation was provided.

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[4]"A Report on County Consolidation in South Dakota with Special Reference to Buffalo and Jerauld Counties," (Vermillion, Governmental Research Bureau, University of South Dakota, 1960).

[5]Ibid.

County government costs of Buffalo and Jerauld counties were cited. These statistics showed the increasing per capita cost of county government and showed that these two counties had a higher per-capita county government cost than the State average. Both of these counties are sparsely populated (Buffalo had fewer people than any county in South Dakota in 1960; only thirteen counties had smaller populations than Jerauld). The data included in the study showed that, almost without exception, the greater the population, the lower per-capita cost was for South Dakota counties. The conclusion was that increasing a county's population should bring about a reduction in per capita costs.[6]

The area factor was also briefly discussed. By area is meant the number of square miles within the boundaries of a county. The conclusion was that area, alone, was a very inconsequential factor.[7] Studies are lacking in this field.

The report briefly discussed the relation between the quality of public services and county population. The following observations were made:

> On this point statistical evidence is almost completely lacking. Attempts to develop criteria to judge quality have been few and for the most part unsatisfactory. This is true even in the field of education where standardized tests would seem capable of providing some sort of measure of accomplishment.

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[6] Ibid., p. 14.

[7] Ibid., pp. 14-15.

> It would seem only common sense, however, that larger units of government should be able to provide a greater degree of specialization of activities, greater financial outlay for needed equipment, and greater efficiency in the use of both personnel and facilities. These in turn should bring about a higher quality of service. It may be that to some degree these things will be accompanied by greater costs insofar as more professionally minded personnel would demand more activity necessitating greater monetary outlays. Even so, in the face of the overall declining per capita cost curve, it would seem probable that along with a decline in costs as county population increases, there would be a change for the better in the quality of county services.[8]

A study of the county expenditures of Buffalo and Jerauld counties showed that the principal cost savings would be in the elimination of one set of administrative offices required by the State constitution and law. Little additional office help would be needed if consolidation took place, but any additional help needed should be considerably less than the cost of maintaining another separate office.

The report stated, in summary, that from the viewpoint of governmental costs there would be savings to the taxpayers of both Buffalo and Jerauld counties. Also, improvement could be expected in the quality of governmental services.

The following quote is the summary on social consequences:

> Whether there would be social losses attendant this consolidation that would justify the retention of the present counties is a question which the local voters are in a better position to evaluate. Similarly, the local citizen is better able to decide whether he would prefer the pattern of consolidation to

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[8] Ibid., pp. 15-16.

> involve different counties than those considered here. Trade habits, school preferences, and social gatherings depend upon individual desires and practices.[9]

The report concludes that the burden of rising governmental costs for the citizens of these two counties is difficult for them to assume and is in large part attributable to the small population of the two counties. County consolidation would provide some improvement in this situation.

Another county study, concerning county government costs in Iowa, was conducted by the Bureau of Business and Economic Research of the State University of Iowa.[10]

This was a three-county case study in 1960 of local expenditures and costs. The three counties selected roughly typified three categories of Iowa counties according to area size, population size, annual expenditures, etc.

After school outlays, the single largest county expenditure was for road construction and maintenance. Two thirds of the county budget of the least populous county was expended on roads. The median county expended three fifths and the most populous county expended one half. The least populous county had a minimum road program and the other two had excellent road systems. Of great importance to

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[9]Ibid., p. 17.

[10]Russell M. Ross and Ethel G. Vatter, The Cost of County Government in Three Iowa Counties. (Iowa City: College of Business Administration, State University of Iowa, 1961).

cost was the type of surface. The least populous county had a high proportion of unsurfaced to total roads.[11]

The next largest expenditures were for welfare activities. The least populous county spent over twice as much per capita for welfare in 1957 as the other two counties did, though as a percent of total budget the least populous county spent less. Some of these county variations could probably be explained by social and economic factors such as total population, numbers of persons in different age groups, etc.[12]

The fourth largest outlay was for costs of the eleven administrative offices and expenditures of the Board of Education. In terms of per capita dollars spent, costs were according to population size. The most populous county's per capita costs were considerably less than one third of the per capita cost of the least populous county. The per capita costs of the median size county were slightly over one third of the per capita costs of the least populous county.[13]

Quantitative evaluation is relevant since services performed by these offices are uniform from county to county. It can be seen that the variations in per capita costs was directly related to the number of persons served by each employee in the county administrative

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[11] Ibid., p. 38.

[12] Ibid.

[13] Ibid., p. 39.

office. The following table shows population and statistics on number of employees and workload for certain administrative offices for each of the three counties analyzed.

TABLE I. COUNTY POPULATION AND WORKLOAD FOR CERTAIN IOWA COUNTY OFFICES, 1955

	Davis County	Cerro Gordo County	Linn County
Population	9,141	49,894	136,899
Employees in administrative offices	55	105	157
Ratio of employment to residents	6/1,000	2.2/1,000	1.3/1,000
No. of recordings in office of records	3,582	16,833	25,897
Office of records recordings on per employee basis	1,719	3,366	5,179
Cases handled by Clerks of Court	221	802	2,273
Clerk of Court cases on per employee basis	110.5	200.5	454
Miles patrolled by Sheriff's Office*	13,931	97,272	93,281
Sheriff's patrol miles on per employee basis	27.3	136.4	161.9

*Linn County appears to be operating in area of increasing costs. It is more likely, however, that the higher population density makes time and not mileage the more relevant variable.

Source: Russell M. Ross and Ethel G. Vatter, The Cost of County Government in Three Iowa Counties, p. 39.

Analysis of other administrative offices, particularly auditor, assessor, treasurer and engineer showed the same results.

> It establishes the fact that these offices in counties with low population densities may not have the volume of work required for optimum efficiency. On the other hand, counties with large population densities may be operating in the area of diminishing returns. Management efficiency studies would be appropriate in the latter type of situation.[14]

Property tax levies for the least populous counties were much higher than for the other counties. It was pointed out that, "if Davis County, and counties like it, were not supported by high amounts of state grants, their property taxes would be even greater than they are."[15] The following table shows the 1955 assessed valuation and net average millages levied for these three counties.

TABLE II. ASSESSED VALUATION AND NET AVERAGE MILLAGES LEVIED, THREE IOWA COUNTIES, 1955

	Davis County	Cerro Gordo County	Linn County
Assessed Valuation 1955	15,167,012	97,967,242	215,804,613
Net Average Millages levied	59.927	44.162	52.243

Source: Russell M. Ross and Ethel G. Vatter, The Cost of County Government in Three Iowa Counties, p. 40.

[14] Ibid., p. 40.

[15] Ibid.

Expenditures on common functions (correction, police, health, public welfare and highways), and administrative costs for Iowa counties were graphed and studied. It was thought that expenditures and costs of these items could be explained satisfactorily by variations in population. However, when observing the relationship between variations in per capita expenditures and population, per capita expenditures did not appear to decrease proportionately to population increases. Counties with populations over 50,000 tended to behave differently than smaller counties. For large counties, per capita costs and expenditures showed no marked tendency to vary with population.[16] The following statement was included in this study.

> For the 83 small counties, however, the per capita expenditures appear to decrease as population increases. Statistical testing reveals, however, that only about one-third of the variations in expenditures can be explained by variations in population. Thus the generalization frequently heard that county per capita expenditures vary inversely with population is applicable in only very rough and general fashion and then only <u>when the largest counties are excluded.</u>[17]

The above statement also applied to the administrative costs, except there was a much higher correlation between per capita administrative expenditures and population for the smaller counties.

From this study it appeared that the optimum unit in terms of per capita costs would be about 120,000 population.

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[16] <u>Ibid.</u>, pp. 42-46.

[17] <u>Ibid.</u>, pp. 44-45.

The authors of this study recommended that consideration be given to one or a combination of any of the following proposals:[18]

1. County (geographic) consolidation
2. Functional consolidation
3. Creation of a county administrator
4. Consolidation of offices within the present governmental structure

It was recognized that there may be strong political objections to these recommendations.

In 1966, the Research and Policy Committee of the Committee for Economic Development published a statement on modernizing local government.[19] This report was concerned with all local governments in the United States, including counties.

This policy statement, approved and issued by the Research and Policy Committee on CED, "...emphasizes the need to modernize local government in order to serve local interests more effectively and to balance central power in the federal system."[20]

The costs of local government are rising and problems of local governments are increasing. The federal government is providing more financial aid to state and local governments and its presence is being felt more all the time.

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[19]Committee for Economic Development, Modernizing Local Government, A Statement by the Research and Policy Committee, (New York: Committee for Economic Development, 1966).

[20]Ibid., p. 7.

> As we approach the twenty-first century weaknesses in eighteenth and nineteenth century forms must be corrected--or new systems created--if local government is to survive as a vital force.[21]

This report lists the following six inadequacies in local units of government:[22]

> 1. Very few local units are large enough--in population area, or taxable resources--to apply modern methods in solving current and future problems. ...
> 2. Overlapping layers of local government--municipalities and townships within counties, and independent school districts and special districts within them--are a source of weakness. ...
> 3. Popular control over local governments is ineffective or sporadic, and public interest in local politics is not high. ...
> 4. Policy-making mechanisms in many units are notably weak. ...
> 5. Antiquated administrative organizations hamper most local governments. ...
> 6. Positions requiring knowledge of modern technology are frequently occupied by unqualified personnel. ...

This report further states that it is felt that local governments are not up to the task of solving the growing urgent problems facing them. Three alternative courses of action appear to be open to the nation: 1. Continued trends toward functional government, as in highway administration. "...this would imply an extension of federal standard setting, decision making and administrative controls--with heavier transfusions of federal funds...";[23] 2. The states might supersede local authorities and take over function after

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[21] Ibid., p. 11.

[22] Ibid., pp. 11 and 13.

[23] Ibid., p. 14.

function; or, 3. Present local governments can be revised to improve local policy decision making and permit effective management of local affairs.[24]

The CED report recommends the third alternative mentioned above. In particular, they believe in the value of local self government.

> ...Citizen participation in community affairs is the central pillar sustaining a democratic society; it is an invaluable training school for service at other levels. Revitalized local governments will command greater public interest and popular support. Initiatives channeled through effective local units will foster creative experimentation in meeting the diversity of needs from region to region, from urban to rural areas, and from place to place within the same state.
>
> We recognize the obstacles, including vested political interests and civic inertia, found in opposition to any modernization of local institutions of government. ...The citizens can obtain the services they need at reasonable cost only through strong local governments, since neither federal nor state governments can be expected to deal competently with local situations.[25]

It is also pointed out in the CED report that rural areas support thirty per cent of the population on ninety percent of the land. Per capita incomes in these areas were usually far below the national average, but these rural areas supported four-fifths of all local governments. Thus, these rural governments need to be reformed.

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[24] Ibid., pp. 14-15.

[25] Ibid., p. 15.

The counties continue to resist change. Geographic reorganization is needed, since studies have shown that counties need to have a population of at least 50,000 to operate effectively.

> This Committee recommends that the 2,700 counties outside metropolitan areas be consolidated into no more than 500 strong and effective units—using such criteria as minimum population, accessibility to the county seat, trading and communications patterns, revenue base, and geography.[26]

The following was the specific recommendation of the CED for revitalizing local governments:

> We recommend that policy-making authority be entrusted to a small, popularly elected and adequately compensated legislative body. A full-time chief executive should be empowered to manage and coordinate all administrative operations, including appointment and removal of department heads.[27]

Several years ago the Tennessee Valley Authority published a report on county government and administration in the Tennessee Valley.[28] This is a 1940 study of county government in the seven Tennessee Valley States, Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee and Virginia. This study is twenty seven years old, but the problems discussed and the solutions proposed are nearly the same as the results of present day studies. Thus, it can be seen that counties are extremely resistant to change and that little or no progress has been made in modernizing county government.

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[26] Ibid., p. 41.

[27] Ibid., p. 51.

[28] Tennessee Valley Authority, County Government and Administration in the Tennessee Valley States, A Report Issued by the Department of Regional Studies (Washington: Government Printing Office, 1940).

The study points out that 95 per cent of the counties in the Valley states were created before 1880. The following quote describing these states is also applicable to South Dakota.

> ...Also, this was a period in which the services required of counties were few in number and local in nature. The limited functions of counties, together with the fact that wealth consisted for the most part of real estate or other tangible property, made it relatively easy to meet the costs of local government from local resources.
>
> Today social and economic conditions are vastly different. Improved means of communication and transportation have reduced distances; the State capital is now closer to the people than their county seats were 50 years ago. The services required of counties have increased tremendously since the turn of the century. The demand for improved highways, adequate educational facilities, health protection, welfare, and other services have increased the cost of government. Many of the counties, especially the rural counties, are no longer able to pay for the services required of them. Consequently it has been necessary for the State to become increasingly responsible for the support of certain local functions.[29]

County consolidation was proposed for each of the seven states, but little progress has been made. The main obstacles to county consolidation were identified as legal barriers and political opposition. It was felt that state legislatures could force these needed changes, but that they would not do so.

It was mentioned that functional consolidation offered some possibilities, and would be more politically palatable because it would allow county lines to remain unchanged. Cost savings were

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[29] Ibid., p. 119.

expected to be small, however, and the final organization may be a complicated and awkward device.[30]

This study recommended the following possibilities for consideration:[31]

1. Internal reorganization. Adopt the county manager or executive plan. The governing body would appoint a manager or executive who would supervise all departments, and have the power to appoint and discharge all department heads. Responsibility can thus be defined and fixed by the taxpayers.

2. Unification of functions, particularly fiscal. One department should be responsible for all the fiscal affairs of the county. This would include assessing, taxing, budgeting, accounting, etc.

3. State supervision of county financial administration. County financial systems should be uniform throughout the state. County financial transactions should be audited and supervised by a state agency.

4. Consolidation of areas and functions. This would include county consolidation, county-municipal consolidation, and/or functional consolidation.

5. Functional reallocation. Some functions, with more than local concern, could be transferred to the state. This could include

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[30] Ibid., pp. 125-126.

[31] Ibid., pp. 127-133.

education, health, relief and welfare, law enforcement and highway administration. It is argued that this could replace the need for geographical and functional consolidation. (This proposal is not found in the more recent studies on county government.)

One writer, Dr. Karl Kraenzel, advances the theme that the semi-arid plains area inherited unsuitable governmental institutions from the humid parts of the nation and the world. The western three-fourths of South Dakota is in the plains area to which the author refers. "Institutions, by their very nature, have little plasticity and do not readily lend themselves, when transplanted from the site of their origin and development, to the change necessary to fit new situations."[32]

In Dr. Kraenzel's book it is pointed out that the eastern tier of the plains states were directly affected by the humid-area push of ideas across the northern states, with the institutional ideas originating in New York and Pennsylvania. Smaller size counties, and the existence of townships, came from the humid-area ideas of a much denser population, more churches, more schools and more municipalities than the area could afford.[33]

In South Dakota and other plains states, there was no counter-force strong enough to influence changing these imported institutions.

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[32]Carl F. Kraenzel, The Great Plains in Transition (Norman: University of Oklahoma Press, 1955), p. 165.

[33]Ibid., p. 175.

It is now even more difficult to bring about changes in order to adapt them to plains life. "Resistance to adaptation is a major source of difficulty in the Plains today."[34] Adaptation in the institutional sphere is poor.

States west of South Dakota were affected differently. Their institutions originated in the south, which, being influenced by the plantation system and English tradition, created the county as the smallest unit of government. This form of local government spread across the southern states to California and then moved eastward again into the arid and Rocky Mountain west.[35]

Our western neighbor state, Montana, has 56 counties, each averaging 2,609 square miles; while South Dakota has 64 organized counties and three unorganized counties, averaging 1,139 square miles.

It is interesting to note that the United States has 3,124 county areas with an average of 1,136 square miles per county, which is only three square miles different from the South Dakota average. The average population per county, however, is not in such close harmony. The average for the nation is 59,482, compared to an average for South Dakota of 10,761 (see Table IV, page 26).[36]

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[34] Ibid., p. 165.

[35] Ibid., p. 171.

[36] United States Bureau of the Census, Census of Governments: 1962. Government in South Dakota, Vol. VII, No. 41 (Washington: Government Printing Office, 1964), p. 8.

CHAPTER II

SOUTH DAKOTA'S COUNTIES--ORIGIN, DEVELOPMENT AND CURRENT SITUATION

Origin

Four principal types of local government and counties were established during the early history of the United States. Present types of local governments originated from these four.

The first can be called the New England type.[37] In the New England colonies the town was the principal unit of local government. These "towns" had political jurisdiction over the urban areas and the surrounding rural areas. Because of difficulties in the administration of justice, districts which embraced a number of towns were marked out. A single court could function in each district. These districts were called counties, and it should be noted that these counties grew out of an administrative problem. The court was composed of several justices who were appointed by the colonial assemblies or the governors. These county courts soon assumed other functions such as building highways, issuing various licenses, providing for prisons, levying and collecting taxes, etc. However, the town governments still existed as the dominant government.

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[37]Kirk H. Porter, County and Township Government in the United States (New York: The Macmillan Company, 1922), pp. 21-41.

The second type can be called the southern type.[38] In the southern colonies there was more agriculture and less industry and thus there were fewer small compact communities. Townships did not appear at all. A highly-developed county evolved, which exercised practically all the functions of local government, in the absence of the township. The parish also developed as an institution of government closely connected with the church and the religious life of the community.

The third type may be called the north-central type.[39] This type developed in some of the colonies between New England and Virginia, with New York being representative of this group. In 1863, New York was divided into twelve counties with the normal judicial, military and financial functions. Since the townships and towns were not strong, the county authorities assumed greater governmental authority. The county board was composed of a board of supervisors with one or more supervisors representing each township. Functions of the township were reduced and powers of the county grew.

The fourth type may be called the south-central type.[40] Pennsylvania, which is representative of this group, was settled the same as New York, and developed institutions under the Dutch and the Duke of York's laws. Population was sparse and not concentrated in towns.

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[38] Ibid., pp. 43-47.

[39] Ibid., pp. 51-52.

[40] Ibid., pp. 52-55.

The county was established as an area of local government before the towns established strong governments. Assessors, to assist the justices of the peace in tax administration, were selected by the county at large in 1696. Other officials were at first appointed by the governor.

In 1724, it was provided that each county should elect, at large, three commissioners to manage the fiscal affairs of the county in place of the justices of the peace. These commissioners became the chief administrative authority of the county--a small body elected by the whole county. Thus began the commissioner system of elective county boards.[41] The township was definitely a subordinate unit.

The South Dakota county government organization came from the south-central type, mentioned above.[42] This is the "county-township" or "commissioner" type of local government. The distinguishing features are: there is no organic connection between the two units of government; the county is controlled by a board composed of from three to seven commissioners, popularly elected, usually at large; and the township is a distinctly subordinate unit.

Development

The common thought has been that each county was originally organized into a small enough area size so that any county resident

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[41]Herman G. James, Local Government in the United States (New York: D. Appleton and Company, 1921), p. 87.

[42]Ibid., pp. 86-87.

could travel by horse or horse and buggy from his home to the county seat and back in one day. No verbatim records exist of the early South Dakota legislative sessions, so it is very difficult, if not impossible to determine if this was really a guiding factor for the legislators.

Area considerations would also assume that the county seats would be centrally located. This was not necessarily the case either, as one can determine by reading about the numerous disputes over county seat locations.[43] Political influence for personal gain entered into the county seat location in many cases.

Original county boundaries in South Dakota were not necessarily set according to geographic considerations. In most cases, county boundaries appear to have been set according to various whims of legislators with some influence exerted by local citizens. This thought was conveyed by Dr. Herbert S. Schell, Department of History, University of South Dakota, in conversation with him about the early development of counties in South Dakota. This seems to be particularly true of the larger western counties.

The first South Dakota counties were organized in 1861 and the last county, Jones, was organized in 1916. Forty-four counties created by early South Dakota legislatures have been eliminated.[44]

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[43]Herbert S. Schell, History of South Dakota (Lincoln: University of Nebraska Press, 1961), pp. 195-214.

[44]"Dakota's Counties", The Wi-Iyohi, XIII (June, 1959), 16.

Current Situation

South Dakota is composed of sixty-seven counties. Sixty-four are organized counties and three are unorganized. Shannon, Todd and Washabaugh lack organized county governments. These three are attached to adjacent counties for administration of county functions.

Buffalo county was the least populous county in 1962 with an estimated population of 1,500. The most populous county was Minnehaha, with an estimated 1962 population of 90,000.[45] The following table shows the number of counties in South Dakota within population groups.

TABLE III. SOUTH DAKOTA COUNTIES BY POPULATION SIZE, 1962

Population Size	Number of County Governments, 1962	Population 1960 (Thousands)	Percent of 1960 Population
Total	64	668.8*	100.0
50,000 to 99,999	2	144.8	21.7
25,000 to 49,999	1	34.1	5.1
10,000 to 24,999	19	263.3	39.4
5,000 to 9,999	22	157.7	23.6
Less than 5,000	20	69.0	10.3

*Total population figure is less than the statewide total for 1960 because of the exclusion of the unorganized counties of Shannon, Todd, and Washabaugh.

Source: U.S. Bureau of the Census, Census of Governments, 1962. Government in South Dakota, Vol. VII, No. 41, Table two, p. 15.

[45] Commercial Atlas and Marketing Guide, Ninety Fourth Edition (Chicago: Rand McNally and Company, 1963), p. 403.

It should be noted from the table that over seventy-five per cent of the State's population lives in counties under 25,000 in population, while only 21.7 per cent live in counties with a population over 50,000. This suggests that governmental functions in many counties are poorly supported in terms of population. In 1962 South Dakota was ranked first among the states in the number of local governments per 100,000 population. In total number of local governments, this state ranked number six. In the number of county governments, it ranked number 21.5, the same ranking as Alabama, Florida and Pennsylvania. In terms of population density, South Dakota ranked number forty-four. It had 0.39 percent of the nations population, but at the same time it had 4.89 percent of the local governments in the nation.[46]

The following table compares the South Dakota average population per county and average area per county with the United States average population per county and average area per county.

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[46]United States Bureau of the Census, Census of Governments: 1962. Government in South Dakota, Vol. VII, No. 41 (Washington: Government Printing Office, 1964), p. 8.

TABLE IV. SOUTH DAKOTA AND U. S. AVERAGE POPULATION AND AREA PER COUNTY, 1962

	U.S.	S.D.*
Population	185,822,000	721,000
Number of counties	3,124	67
Average population per county	59,482	10,761
Area size	3,548,974	76,378
Average area per county	1,136	1,139

*Includes the three unorganized counties.

Source: U. S. Bureau of the Census, Census of Governments, 1962. Government in South Dakota, Vol. VII, No. 41, p. 8.

It can be seen that the South Dakota average population per county is less than one-fifth the average population per county for the U. S. as a whole. And again, as has been pointed out, South Dakota has an average area per county only three square miles larger than the average area per county for the U. S. as a whole.

CHAPTER III

PER CAPITA COSTS FOR SELECTED COUNTY FUNCTIONS--1962

The year 1962 was selected for the detailed investigation of county function costs. This was the most recent year for which accurate figures were available on population[47] and county expenditures.[48]

To begin the study, the grand total of each county's expenditures for 1962 was obtained. Each county's grand total was divided by the county population to obtain the county per capita cost. These per capita costs were then ranked from low to high.

The two least expensive counties, the two most expensive counties, and the two counties closest to the mean were then selected for more detailed study. The two least expensive counties were Minnehaha and Pennington which were also the largest counties in population.

The mean cost was $51.96. The counties with per capita costs closest to the mean were Spink and Roberts. Roberts County ranked eleventh and Spink County ranked fifteenth in population. (Population ranking is from most populous, 1, to least populous, 64).

The two counties with highest per capita costs were Harding and Campbell. In population ranking, Harding is 61 and Campbell is 54.

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[47] Commercial Atlas and Marketing Guide, loc. cit.

[48] Division of Taxation. Classified County Expenditures, Bulletin No. 63 (Pierre: State Publishing Co., 1963).

A table was prepared (page 29) showing the total expenditures and the per capita costs of each function for these six counties. It was apparent that there was great variation in the per capita costs of the functions of welfare, highways, schools and miscellaneous. Investigation disclosed that financing of these three functions was not exclusively a county responsibility. Due to circumstances, such as overlapping of financing by different levels of government-local, state, and federal-a comparison of these functional costs on the local level in relation to services provided would not be very meaningful. The scope and responsibility of these three functions extends far beyond the control of county officials. Further, it was felt that a more complete coverage should be given to each of these. Thus, it was decided that an analysis of these functions would not be included in this study. Also, the miscellaneous category was not analyzed because of the extreme difficulty in determining expenditures, common to all counties.

Per capita costs for 1962 were computed for all sixty-four organized counties for the eleven selected functions and a total per capita cost for these functions was obtained. These per capita costs were then graphed with per capita cost on the y axis and the 1962 county population on the x axis. These graphs give a clearer picture of the way per capita costs vary inversely with county population.

In this chapter, each function is treated separately. A brief explanation of the duties of the function is provided and the salary scale for the person or persons performing the function is explained.

TABLE V. TOTAL EXPENDITURES AND PER CAPITA COST OF FUNCTIONS FOR 6 REPRESENTATIVE COUNTIES, SOUTH DAKOTA, 1962

County	Population 1962	Total Expenditures	Per Capita Cost	Total Per Capita Cost Ranking (Low to High)
Minnehaha	90,000	$2,425,371	$ 26.95	1
Pennington	63,000	1,884,014	29.91	2
Spink	11,600	597,541	51.51	18
Roberts	13,100	681,681	52.04	19
Harding	2,400	314,734	131.14	63
Campbell	3,400	459,081	135.02	64

County	Commissioners Per Capita Cost	Auditor Per Capita Cost	Clerk of Courts Per Capita Cost	Treasurer Per Capita Cost
Minnehaha	$0.27	$0.83	$0.35	$0.73
Pennington	0.36	0.95	0.51	1.14
Spink	1.20	2.44	0.71	1.91
Roberts	1.03	1.84	0.78	1.28
Harding	1.97	5.03	1.94	3.89
Campbell	2.58	3.45	1.28	2.37

County	Superintendent of Schools Per Capita Cost	Register of Deeds Per Capita Cost	Sheriff Per Capita Cost
Minnehaha	$0.14	$0.34	$0.39
Pennington	0.23	0.41	1.04
Spink	0.94	0.76	0.53
Roberts	1.01	0.61	0.85
Harding	3.73	3.18	2.46
Campbell	1.41	1.44	1.31

TABLE V (continued)

County	States Attorney Per Capita Cost	Court Per Capita Cost	Assessor Per Capita Cost
Minnehaha	$0.07	$0.88	$0.29
Pennington	0.09	1.36	0.56
Spink	0.44	0.87	1.48
Roberts	0.31	1.30	1.14
Harding	1.42	2.01	2.56
Campbell	1.19	1.93	1.65

County	Court House Maintenance Per Capita Cost	Welfare Per Capita Cost	Highways, Etc., Per Capita Cost
Minnehaha	$0.62	$3.00	$ 7.33
Pennington	0.40	1.68	14.47
Spink	1.99	7.17	26.66
Roberts	0.59	4.18	22.04
Harding	3.05	1.34	74.39
Campbell	2.84	3.59	49.39

County	School Per Capita Cost	Miscellaneous Per Capita Cost
Minnehaha	$ 3.55	$ 7.72
Pennington	2.97	2.97
Spink	0.66	3.32
Roberts	10.49	3.99
Harding	17.32	6.86
Campbell	16.96	43.33

Sources: Population: Commercial Atlas and Marketing Guide, Ninety-fourth edition, 1963, p. 403.

Expenditures: Division of Taxation, Classified County Expenditures, 1963, pp. 7-15.

The graph of per capita costs according to population is included. Per capita costs of the function are briefly analyzed.

Statistics were used to obtain a prediction equation and a percentage figure for the covariation of the two variables, population and per capita cost. The three largest counties were excluded from the data used in obtaining the prediction equation and the covariation figure. On all prediction equations, x is population.

The data used for the statistics were the population figures and the per capita cost figures for the sixty one organized counties, which varied in population from 1,500 to 21,800. The three largest organized counties were excluded from the data to increase the reliability of the results for the population range of the smaller counties. Extreme observations, such as the three largest counties could decrease the reliability of the results. It was felt that, for nearly all functions, the inclusion of data of the three largest counties would cause the curvilinear line to be lower and the covariation figure to be higher. Thus, the reliability of the statistics would be decreased because the few extreme values would cause the results to be skewed.

The curvilinear line on the graphs is drawn according to this computed prediction equation. This line is drawn only within the population range of the data, 1,500 to 21,800. Within this population range, it is felt that the reliability of the prediction is quite high.

By observation, a freehand line could be drawn to fit the plotted observations on each of the graphs. If such a freehand line were drawn to include the three largest counties, it would be lower than the curvilinear line drawn according to the computed prediction equation. Even if the three largest counties were excluded from consideration when drawing a freehand line, the line would still be lower than the computed prediction line. The reason the computed line appears high is because of the wide dispersion, with emphasis, in most cases, on the high side for the smallest counties.

County Board of Commissioners

The County Board of Commissioners consists of not less than three nor more than five members. They are elected at a general election. Their term of office is four years, starting on the first Tuesday of the January following their election.[49]

The following are the major powers and duties of the county commissioners:[50]

1. To institute and prosecute civil actions for the county, in the name of the county.

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[49]William H. Cape, Handbook for South Dakota County Officials, prepared by The Governmental Research Bureau, State University of South Dakota, Report No. 45 (Vermillion: Published by The South Dakota Association of County Commissioners, 1961), p. 3.

[50]Ibid., pp. 10-11.

2. To provide for care and preservation of property belonging to the county. To sell real property, improvements and buildings belonging to the county.

3. To levy taxes and liquidate indebtedness.

4. To audit accounts of all officers handling money belonging to the county or appropriated for the county.

5. To construct and repair bridges. To build, vacate and maintain highways. To provide sites and buildings for courthouse, jail, or other county building requirements.

6. To provide expendable supplies for county officers and employees.

7. To supervise the fiscal affairs of the county.

8. To cooperate with the U. S. Government and State Social Security Commission in caring for and distributing federal surplus commodities.

9. Other minor general powers and duties as required.

County Commissioners are paid $15.00 per month and are also paid for the time actually spent in performing the duties of their office and in attending and returning from official sessions. They received $17.50 per day and 7¢ a mile for the distance actually traveled. Per diem and mileage allowances are paid out of the county general fund and are limited to the following:[51]

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[51]The Laws Passed at the Thirty-Eighth Session of the Legislature of the State of South Dakota, Official Edition (Pierre: State Publishing Co., 1963), p. 67.

1. Counties with population over 30,000—$3,600 per diem and $500 mileage.

2. Counties with population between 15,000 and 30,000—$3,000 per diem and $500 mileage.

3. Counties with population between 8,000 and 15,000—$2,000 per diem and $500 mileage.

4. Counties with population under 8,000—$1,700 per diem and $500 mileage.

5. An extra $300 is allowed for mileage in counties having thirty six or more congressional townships or equivalent area.

Per capita costs for 1962 for the function of county commissioners ranged from a high of $2.58 for Campbell County (1962 population-3,400) to a low of $0.27 for Minnehaha County (1962 population-90,000). Campbell County ranked number 54 in population and Minnehaha was number 1.

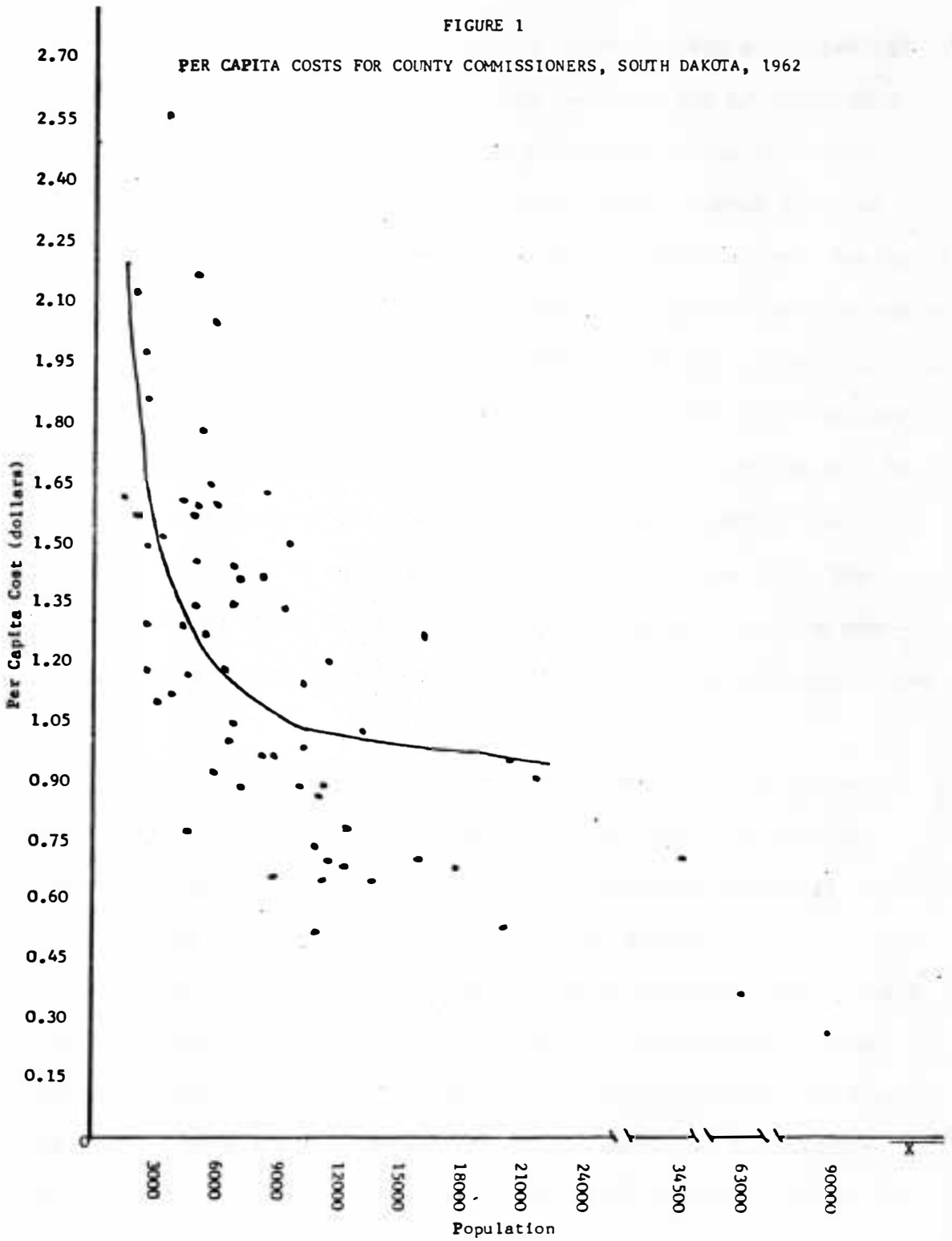
The prediction equation for per capita costs of county commissioners is: $Yc = 0.86353 + \frac{1980.7816}{x}$ (x-population). (The three largest counties were excluded from the data.) The curvilinear line on the graph for this function is plotted according to this prediction equation.

Statistical work indicates that approximately 33% of the variations in per capita costs can be explained by variations in population ($r^2 = 0.32947$).

From the graph, it can be seen that the plotted observations are spread somewhat. The plotted curvilinear line generally follows

FIGURE 1

PER CAPITA COSTS FOR COUNTY COMMISSIONERS, SOUTH DAKOTA, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p.7.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

the plotted observations. As 33%, or approximately one-third, of the variation in per capita costs can be explained by population variations, it can be expected that per capita costs of county commissioner functions could be lowered a small amount if population, in relation to county commissioner functions, were increased.

From the graph it can be seen that per capita costs showed a declining trend with an increase in the size of the counties in 1962. For this function, there is a wider spread in the plotted occurrences on the graph than for most of the other functions considered. It is possible that part of this variation can be explained by the area size of the counties and the amount of travel necessary in the performance of their duties. Also, some counties have five commissioners and some have three, and this causes a difference in the cost.

It should be noted that the county commissioners are part-time public servants. They cannot be considered to be true professionals because they are elected on a political ballot and perform their duties for only a matter of days each month.

No doubt the great majority of county commissioners are dedicated, conscientious individuals. However, they are not trained administrators and most of their training and experience for the job is gained while serving on the job. The quality of the service rendered by these individuals is questionable because of their general lack of formal experience and training in administration.

This is particularly true today with the overlap of interest between different levels of government--local, state and federal. This overlap causes complex problems for the local governmental units which are competing for financial and other assistance in order to improve their own areas.

Auditor[52]

The auditor acts as the clerk of the county board and keeps a record of its official proceedings.

The auditor must keep duplicates of the treasurer's cash book and ledger and makes the same entries that are required of the county treasurer. He must make a monthly report of all cash and cash items, bank balances, and the amount of the checks and drafts which have been in the treasurers office more than three days. He verifies the bank balances to the county board at its regular meeting.

Claims against the county are paid after being allowed by the county board upon the warrant of its chairman and attested by the auditor.

The county auditor and county treasurer make a quarterly detailed exhibit under oath showing receipts and disbursements and assets and liabilities of the county for the preceding quarter. This is posted in the office of the treasurer and published in the official newspaper.

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[52]Cape, op. cit., pp. 53-54.

The auditor acts as clerk at sales of school lands and records such sales.

Election duties[53]

The auditor is in charge of the special and general elections. The auditor may call special elections when petitioned for by a majority of the legal voters of the county.

Between 45 and 75 days prior to the primary election, the auditor receives petitions, filed on behalf of candidates, for any party office. The auditor publishes in official county newspapers all nominations to office certified by him, once weekly for two successive weeks preceding each special or general election.

The auditor provides sample ballots when the county board directs him to do so. He furnishes the copy for the official primary election ballots. He furnishes non-political judiciary and educational ballots. He retains a supply of official ballots and delivers them if they are needed.

The auditor prepares and files a list of voters to voting precincts in unorganized townships.

He prepares the ballots for any question(s) to be submitted to the county electors. He prints and mails ballots to absentee voters.

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[53]Cape, op. cit., pp. 54-57.

The auditor delivers to the election judges the proper number of ballots for the precinct. He also delivers poll books and tally sheets to the election judges.

The outcome of the election is certified by the county auditor after the recount board determines the election outcome.

For salary, the auditor receives $4,800 in counties of 3,000 population or less and $75 for each additional 1,000 population or fraction of 1,000 population. As a rule the salary shall not exceed $7,000, except in counties with population of 70,000 or more where the maximum shall be $7,500. This is the same procedure used to compute the salaries of the treasurer, clerk of courts and register of deeds.[54]

For the function of auditor the per capita costs range from a high of $5.06 for Jones County (1962 population-2,000) to a low of $0.83 for Minnehaha County (1962 population-90,000). Jones County is tied with Jackson as the next to the smallest county. Again, Minnehaha is the largest county.

On the graph it can be seen that in a general fashion per capita costs decreased with an increase in the size of the counties in 1962.

On the basis of statistics available relative to the per capita costs, the computed prediction equation for auditor is:

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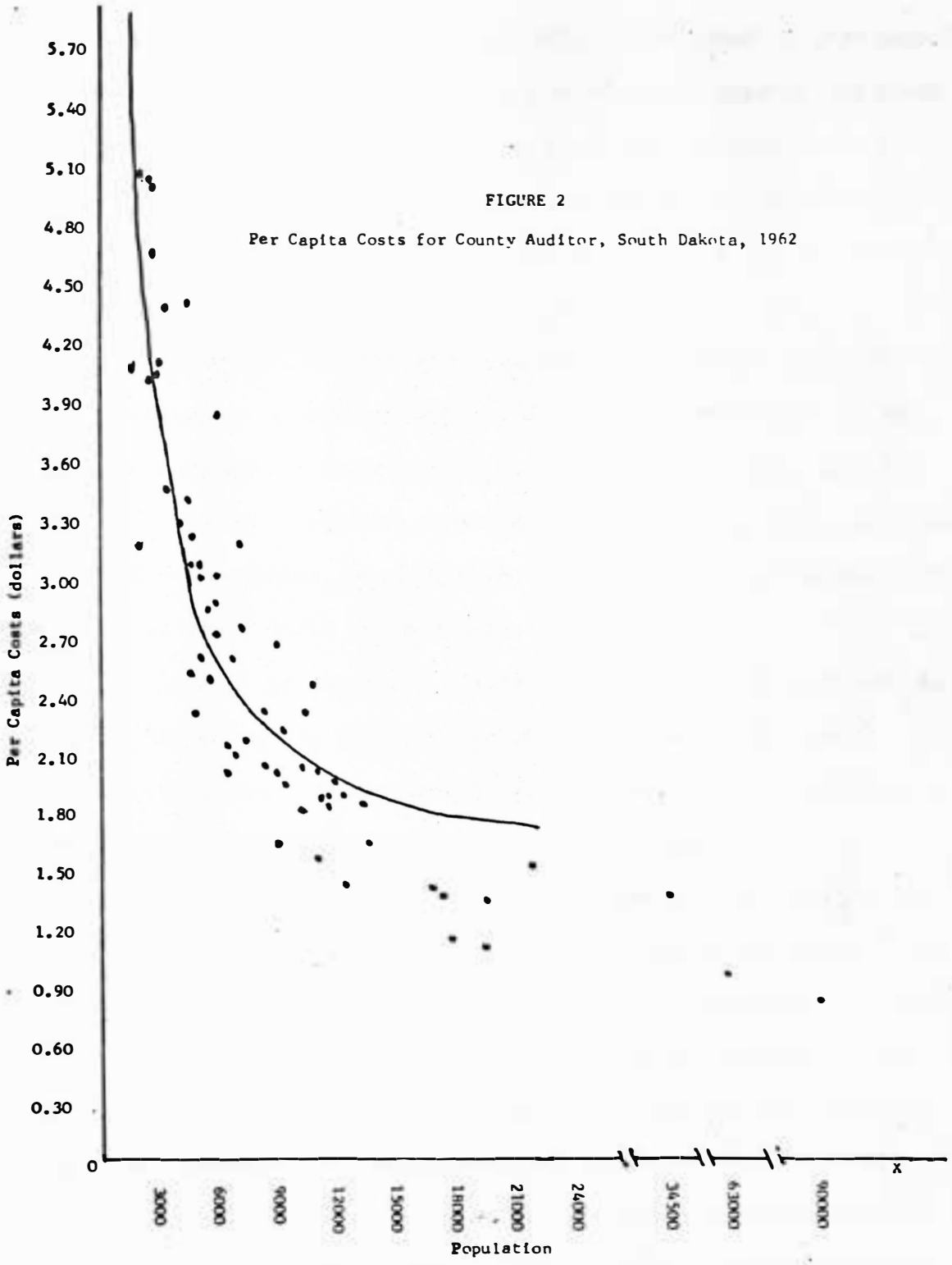
[54]The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, Official Edition (Mitchell: Mitchell Publishing Co., 1966), p. 56.

FIGURE 2

Per Capita Costs for County Auditor, South Dakota, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p.7.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

$Yc = 1.42055 + \frac{6702.7978}{x}$ (x-population). (The three largest counties were excluded from these data.) The curvilinear line on the graph for this function is plotted according to this prediction equation.

Statistical work reveals that approximately 71% of the variations in per capita costs can be explained by the variation in population ($r^2 = 0.70893$).

The plotted curvilinear line generally follows the plotted observations as a high percentage, 71%, of the variations in per capita costs can be explained by population variations. The per capita costs thus could be expected to be lowered if the population size of the counties, or population in relation to the function of county auditor, could be increased.

The auditor keeps duplicates of the treasurers cash book and ledger and makes the same entries that are made by the county treasurer. This is a duplication of bookkeeping effort for the purpose of checking the handling of county money.

This duty could probably be performed more efficiently by some department of the state government. It would be possible to have a uniform system of accounting used by all counties, and the state agency could then perform periodic audits. With state officials performing audits for all counties, greater efficiency in auditing could probably be achieved by professional accountants. It should be possible to streamline procedures and reduce wasted effort. If the county manager or county administrator system was adopted, audits could probably be performed by that individual.

Election duties of the auditor are important and some county official must perform these duties. However, it may be possible to consolidate these duties with one or more other functions.

As with some of the other officials, this official should be appointed and not elected under present laws and conditions. The function of the auditor is one of service and has nothing to do with making decisions or setting policies for the county.

Other alternatives that might be considered for reducing the per capita costs of the functions performed by the county auditor and other county functions will be considered in the concluding chapter.

Treasurer[55]

The treasurer receives all money paid to the county as directed by law. All county money is disbursed by the treasurer on the warrant of the county commissioners. He collects all taxes from the county tax list. He pays to the treasurer of the city, town, township or school district, on the order of the county auditor, all money received by him which belongs to such political units.

On the first of each month, the treasurer gives to the auditor all the disbursement vouchers made by him during the preceding month. The auditor charges the proper funds and within ten days the auditor and treasurer compare their cashbook and ledger balances.

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[55]Cape, op. cit., pp. 50-53.

The treasurer is responsible for selling certain licenses. Further, he appoints agents to sell hunting and fishing licenses.

The treasurer must exhibit accounts of receipts and disbursements, when desired, to any state, county, municipal or school officer. He must keep an account current record, cashbook, duplicate receipt book, public disbursement register, fee record and warrant register.

The treasurer's affairs are subject to examination by the county board at all times. At the board's regular meetings in January and July, and at other times the board desires, the treasurer shall secure the board's approval of his accounts. If correct, the account is certified; if not, the treasurer is liable on his bond.

The treasurer assists the county board in designating national or state banks as depositories for county funds.

When the county board directs him to do so, the treasurer insures any or all of the public buildings or property belonging to the county.

The treasurer must present a bond approved by the county board and executed by a legally authorized surety company. The county pays the premium on this bond.

The salary of the treasurer is computed in the same manner as is the salary of the county auditor.[56]

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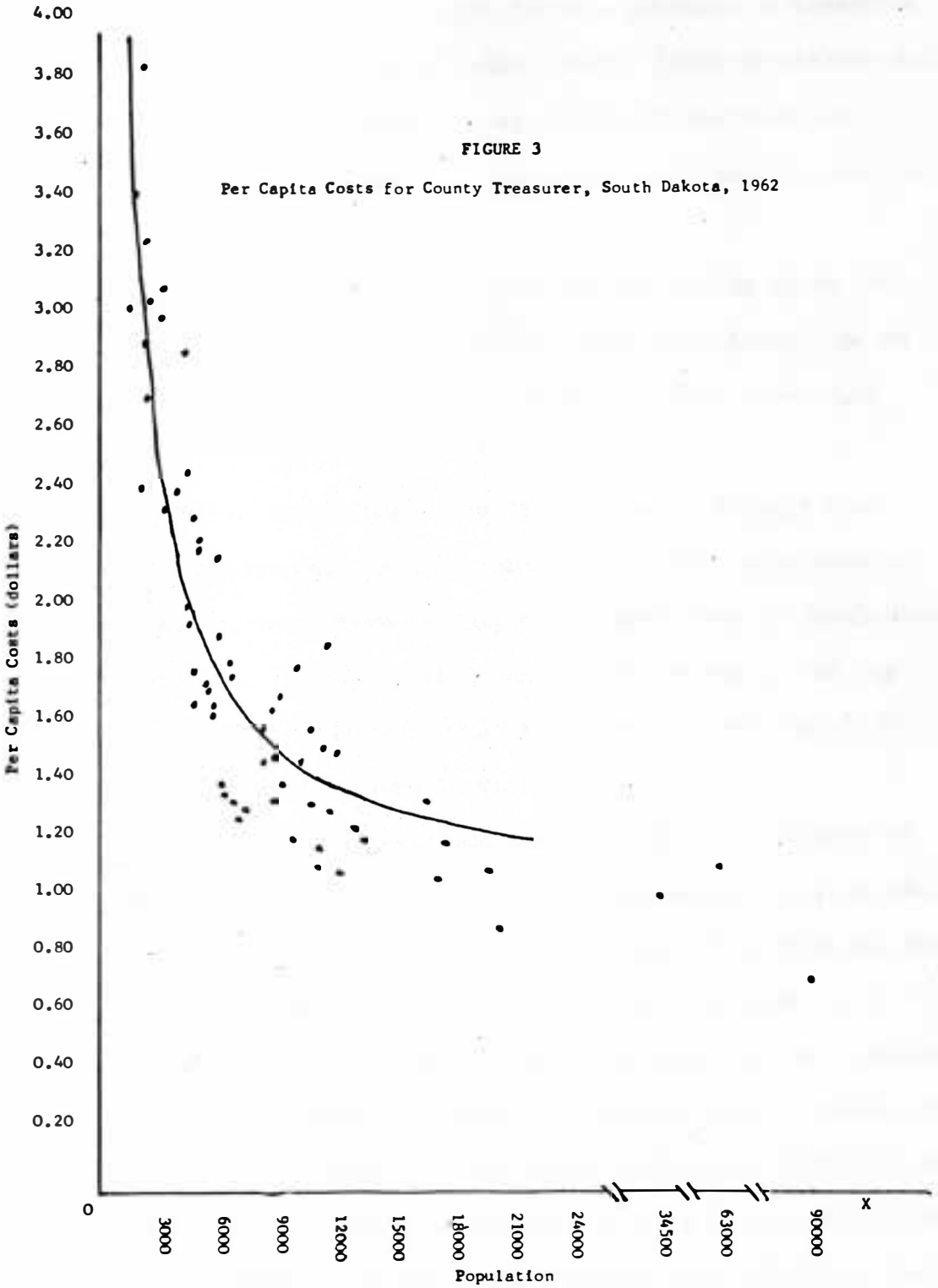
[56] The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, loc. cit.

FIGURE 3

Per Capita Costs for County Treasurer, South Dakota, 1962



Source: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p. 8.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

The per capita costs for 1962 for the function of treasurer varied from a high of $3.89 for Harding County (1962 population-2,400) to a low of $0.73 for Minnehaha County (1962 population-90,000). Harding County ranked number 61 in population and Minnehaha was the largest county.

The computed prediction equation for per capita costs for treasurer is: $Yc = 1.02970 + \frac{4647.7217}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted curvilinear line follows rather closely the grouping of observations. A high percentage of the variations in per capita costs, approximately 75%, can be explained by population variations ($r^2 = 0.75079$). This gives a high assurance that per capita costs for this function could be lowered if population in relation to this function were increased.

Since this is a function requiring knowledge of accounting procedures, and not one responsible for policy decisions, this could be an appointive job. There appears to be no particular reason why the individual performing this function should be elected on a political ballot. The individual's qualifications and merit should determine selection, not his political ability to secure votes. The appointive authority should have the power to hire and discharge the county treasurer. This could be expected to lead to greater efficiency and more professionalism in the performance of this function. Per

capita costs should thereby be reduced and the services to the county residents should improve.

Consideration could also be given to consolidation of this function with one or more other county functions. This will be analyzed further at the end of this chapter.

Other alternatives for increasing efficiency and reducing per capita costs will be considered at the end of this chapter and in the concluding chapter.

Clerk of Courts[57]

Duties of the clerk of courts are governed by the court of which he is clerk and by the statutes. He must make an annual report on the 1st of January each year to the county board. He must report all fees, commissions and per diem received by him during the year.

The clerk of courts also records all fines, forfeitures, penalties and costs of each criminal action pending in the circuit and county courts of his county. He records the date and amount of each payment. These payments are immediately made to the county treasury and the clerk of courts receives a receipt.

Unless prohibited by law, the clerk of courts provides certified copies of records of his office to persons entitled to them.

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[57]Cape, op. cit., pp. 63-64.

The clerk of courts records adoption orders in a separate book. He keeps adoption records confidential and provides such information only on order of the courts.

The salary for the clerk of courts is based on the same conditions as the salary for the auditor.[58]

Per capita costs for 1962 for the function of clerk of courts varied from a high of $2.56 for Buffalo County (1962 population-1,500) to a low of $0.35 for Minnehaha County (1962 population-90,000). Buffalo is the smallest county contrasted with Minnehaha, the largest.

The computed prediction equation for clerk of courts is: $Yc = 0.38606 + \frac{3298.5480}{x}$. The curvilinear line on the graph is plotted according to this equation.

From the graph it can be seen that the plotted curvilinear line rather closely follows the grouping of observations. A very high percentage of the variations in per capita costs, approximately 90%, can be explained by population variations ($r^2 = 0.89634$). This gives a high assurance that per capita costs for this function can be lowered by increasing the population size of the counties or increasing population in relation to this function.

As with other service functions, there appears to be no valid reason for the clerk of courts to be elected on a political ballot.

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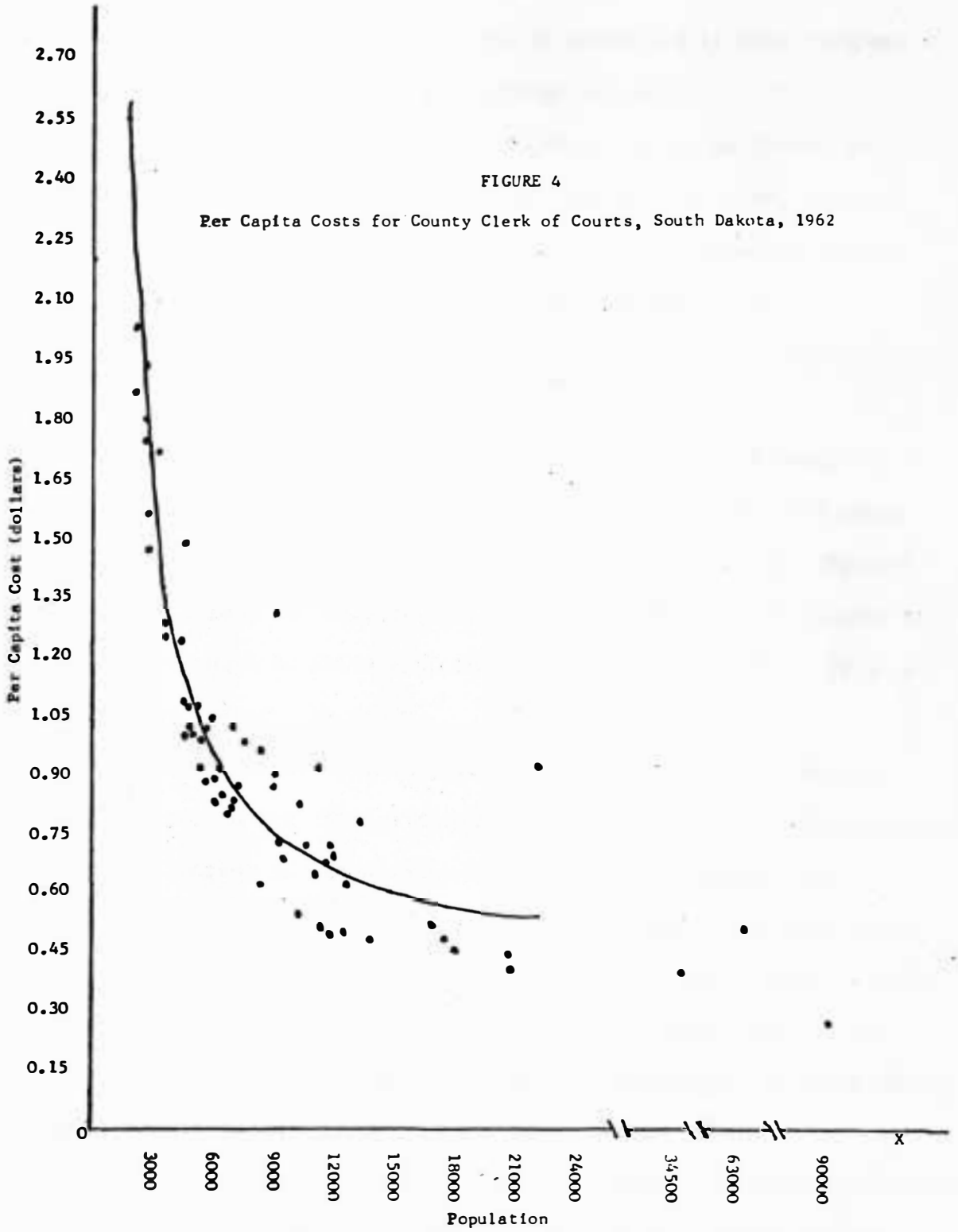
[58] The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, loc. cit.

FIGURE 4

Per Capita Costs for County Clerk of Courts, South Dakota, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p.7.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

Efficiency and professionalism may be increased if this were an appointive job based on qualifications and merit.

It is also possible that efficiency could be increased if this function were consolidated with one or more others into one function under one appointed official. This alternative will be discussed in greater detail later in this thesis.

Register of Deeds[59]

The register of deeds must keep records of all deeds, mortgages, bills of sale, conditional sales contracts, and other instruments authorized by law to be filed in his office. He must record all fees he receives for services rendered. A statement of these fees must be filed with the county auditor within five days after the end of each month.

The register of deeds keeps a record of all real estate transfers. He certifies a record of these transfers to the director of equalization so the assessment rolls may be changed.

The register of deeds should destroy any chattel mortgage, conditional sales contract, or other personal lien instrument after having it on file for twelve years. This should be done in the presence of the county commissioners. He should also destroy other personal property lien instruments after twelve years.

The register of deeds has the authority to acknowledge instruments, such as deeds and mortgages, the same as a notary public.

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[59]Cape, op. cit., pp. 49-50.

The register of deeds can furnish certified photostatic copies of recorded instruments to an abstract company according to statutory fees, where the fees are specified by statute.

The salary of the register of deeds also has the same basis as the salary of the auditor.[60]

Per capita costs for 1962 for the function of register of deeds ranged from a high of $3.18 for Harding County (1962 population-2,400) to a low of $0.34 for Minnehaha County (1962 population-90,000). Harding County ranked number 61 in population and Minnehaha was 1 in that year.

The computed prediction equation for per capita costs for register of deeds is: $Yc = 0.45234 + \frac{3757.2704}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted curvilinear line closely follows the plotted observations. A very high percentage of the variations in per capita costs, approximately 81%, can be explained by population variations ($r^2 = 0.80929$). This gives a high assurance that per capita costs for this function can be substantially lowered by increasing county population in relation to this function.

The register of deeds also should be an appointive official. The official performs a service for the county and has nothing to do with making decisions, setting policies or otherwise acting for the

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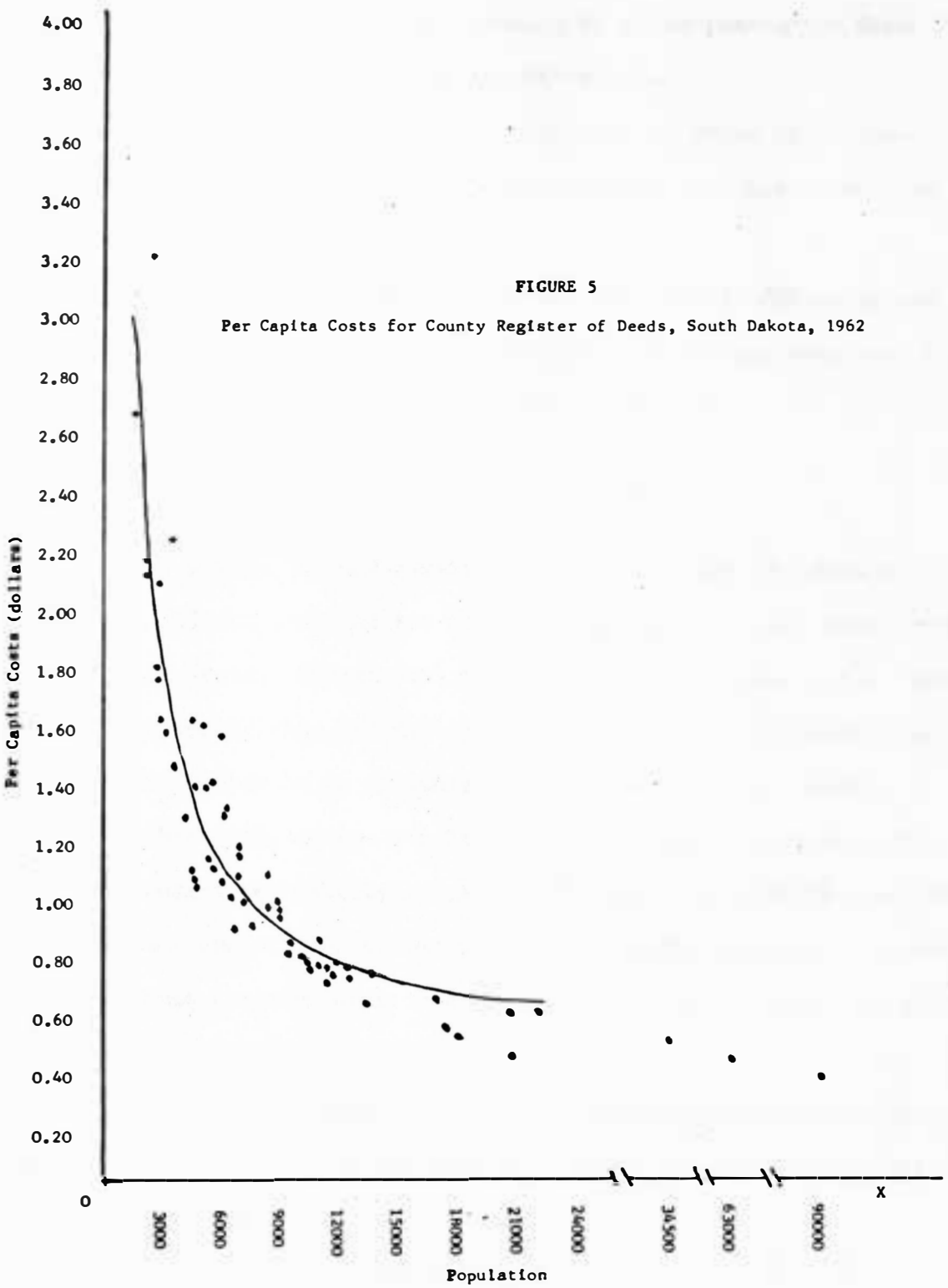
[60] The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, loc. cit.

FIGURE 5

Per Capita Costs for County Register of Deeds, South Dakota, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p. 9.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

county residents. Thus, there appears to be no reason for this official to be elected on a political ballot.

The possibility also exists for this function to be consolidated with one or more of the other county functions and thus increase efficiency.

These and other alternatives for increasing efficiency and lowering per capita costs will be analyzed in greater detail at the end of this chapter and in the concluding chapter.

County Superintendent of Schools[61]

Any person who was serving as a county superintendent on July 1, 1957 can continue service as long as his present certificate remains in force. Others must hold a bachelor's degree and a valid teacher's certificate and must have had two years experience as a full time teacher in an elementary or secondary public school.

After 1960, except for those eligible for continuous service due to present certificates remaining in force, eligibility requires a four year certificate or one of equal or higher grade and two years of full time teaching experience in an elementary or secondary public school.

The county superintendent is required to visit every school under his or her supervision once each year. The county superintendent

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[61]Cape, op. cit., pp. 85-95.

attempts to correct physical deficiencies and makes suggestions for operating the school.

The county superintendent is a member of the county board of appraisal, which administers the sale of lands in the county as directed by the State Board of School and Public Lands.

The county superintendent issues school bus drivers' licenses to qualified school bus drivers. Applications for such licenses are filed with the county superintendent. The Drivers License Division of the State Department of Motor Vehicles administers the examination and issues a certificate to the applicant.

The county superintendent is the chairman of the county textbook committee. This committee selects the school books and receives sealed bids for the same.

The county superintendent is purchasing agent for textbooks, other instructional materials and equipment as established by the county commissioners. In fulfilling these duties, he accounts for all textbook fund transactions.

The county superintendent holds at least one school board members convention each year.

The county superintendent may arrange educational contests and exhibits for public schools under their direction.

The county superintendent estimates the cost of elementary school operations. This amount, minus outlay and debt service, is certified to the county commissioners, who declare a special tax levy for fifty per cent of this amount for the county elementary

school equalization fund. This equalization fund is distributed to school districts, which do not have high schools, on a ratio determined by the county superintendent.

The county superintendent, each year, estimates the number of students entitled to high school tuition benefits. The county superintendent computes the amount of tuition payments the districts will need and certifies this figure to the auditor, so the county commissioners can levy a special tax for this purpose.

The county superintendent can appoint a school accountant assistant when he must supervise fifteen or more school districts or twenty or more teachers. The county commissioners may consent to the employ of other assistants and clerical help. Salaries of these assistants and clerks are then fixed by the county commissioners.

As of 1965, the county superintendent was to receive a salary of $6,000 if he held a bachelor's or higher degree and $5,000 if he held a two year elementary certificate or comparable rank.[62]

In addition, the county superintendent receives hotel and traveling expenses for attending meetings. He also receives travel pay for necessary travel in the discharge of his duties.

The county superintendent is also elected and paid in unorganized counties the same as in organized counties.

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[62]The Laws Passed at the Fortieth Session of the Legislature of the State of South Dakota, Official Edition (Mitchell: Mitchell Publishing Co., 1965), p. 162.

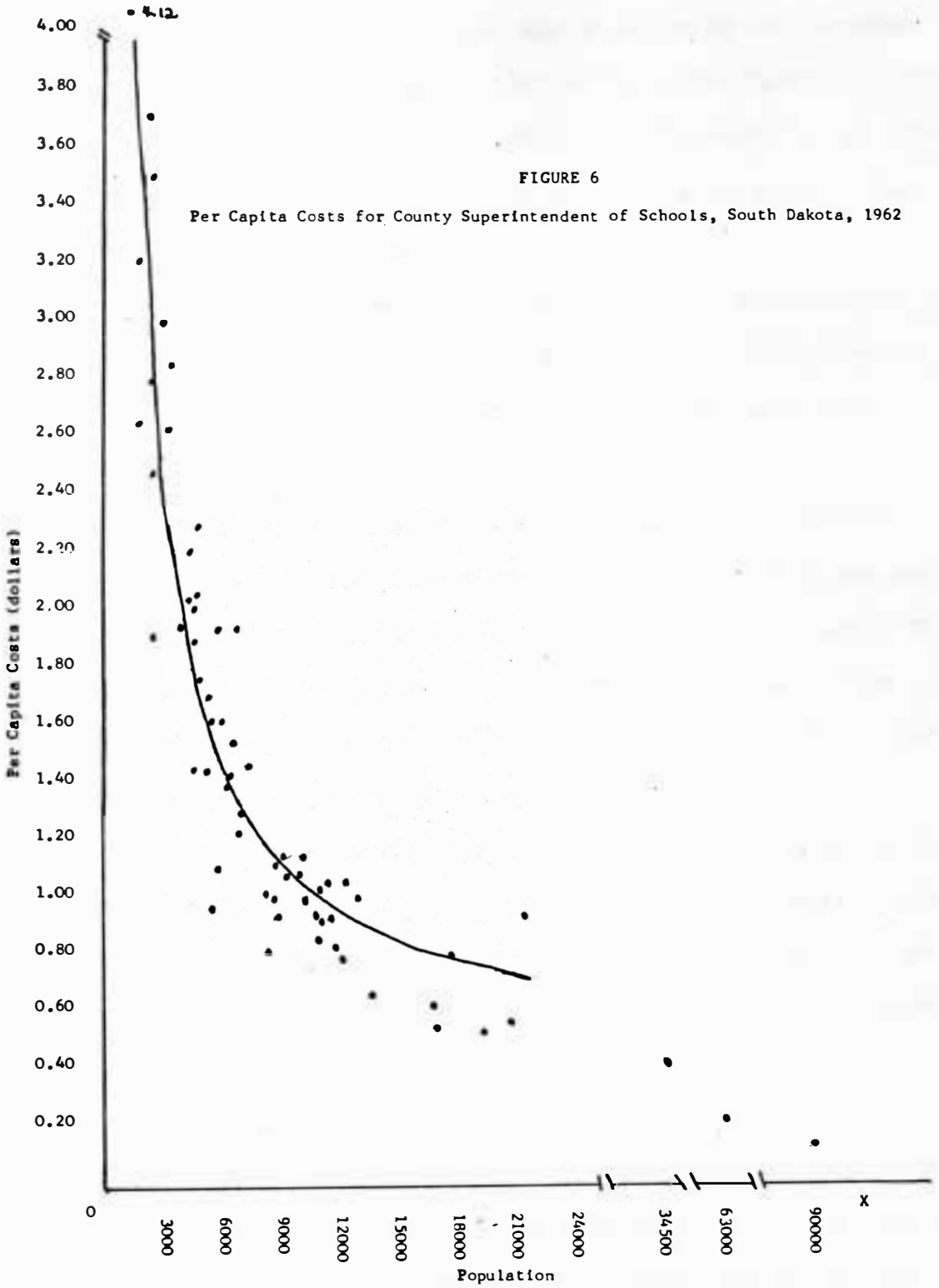

FIGURE 6

Per Capita Costs for County Superintendent of Schools, South Dakota, 1962

Source: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p. 8.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

Per capita costs for 1962 for the function of county superintendent of schools ranged from a high of $4.12 for Buffalo County (1962 population-1,500) to a low of $0.14 for Minnehaha County (1962 population-90,000). Buffalo County is the smallest county in the state and Minnehaha is the largest.

The computed prediction equation for per capita costs for county superintendent of schools is: $Yc = 0.47398 + \frac{6006.7955}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted curvilinear line closely follows the plotted observations. A very high percentage of the variations in per capita costs, approximately 85%, can be explained by population variations ($r^2 = 0.84609$). This gives a high assurance that per capita costs for this function can be lowered by increasing the population size of the counties or areas served by this official.

It should be noted that the minimum education level required for this function is a four year certificate or higher degree. Education, being a specialty field, requires a particular type of training and knowledge. The salary scale indicates that the legislators recognize this.

The individual performing this function should be hired according to merit and qualifications in the educational field. This official does not set policy or make decisions for the county and thus should not be elected. Under the present system, the county commissioners could have the power to hire and discharge this official.

If the county manager system were adopted, he should be the one to hire and discharge.

If this were an appointive position, it may be that better qualified individuals could be hired. Under the present system, persons desiring the position must be willing to campaign for election. Thus, in addition to professional qualifications, they must have voter appeal. The election campaign may discourage some well-qualified individuals from seeking the position. Continuity and quality in the position may be enhanced if merit and qualifications are substituted for voter appeal and continuity in the position is not at the whim of the voters.

Sheriff[63]

The sheriff is the county peace officer.

The sheriff serves any writ, subpoena, summons or other process in any action for the state or county. The sheriff collects liens and other judgments. He investigates alleged offenses and takes necessary action, to include arrests.

The sheriff transports patients to federal Veterans Administration Hospitals, mentally ill to state hospitals, and convicts to the State Penitentiary.

The sheriff is responsible to furnish the necessary needs, to include medical care, to a prisoner. The jail is to be operated

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[63]Cape, op. cit., pp. 57-61.

according to the rules and regulations of the Board of Charities and Corrections.

The sheriff is entitled to collect certain fees. At the end of each year he must report the following to the county board: (1) All fees received by his office; (2) deputies' salaries; (3) judgments and claims against him which were approved and paid by the county commissioners; and (4) any other liability against himself as sheriff.

The sheriff is paid according to the following salary scale:[64] below 1,999 population—$4,500; 2,000 to 3,999 population—$5,000; 4,000 to 5,999 population—$5,500; 6,000 to 7,999 population—$6,000; 8,000 to 9,999 population—$6,500; 10,000 to 11,999 population—$7,000; 12,000 to 19,999 population—$8,000; 20,000 to 29,999 population—$9,000; 30,000 to 49,999 population—$10,000; 50,000 population and over—$11,000.

If an unorganized county is attached, that population shall be added to the population of the organized county and the sheriff receives salary based on the schedule for that total population. If housing and utilities are furnished, the county commissioners establish a reasonable value for this and deduct that amount from the regular salary of the sheriff.

Per capita costs for 1962 for the function of sheriff ranged from a high of $6.77 for Miner County (1962 population-5,300) to a low

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[64]The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, op. cit., pp. 54-55.

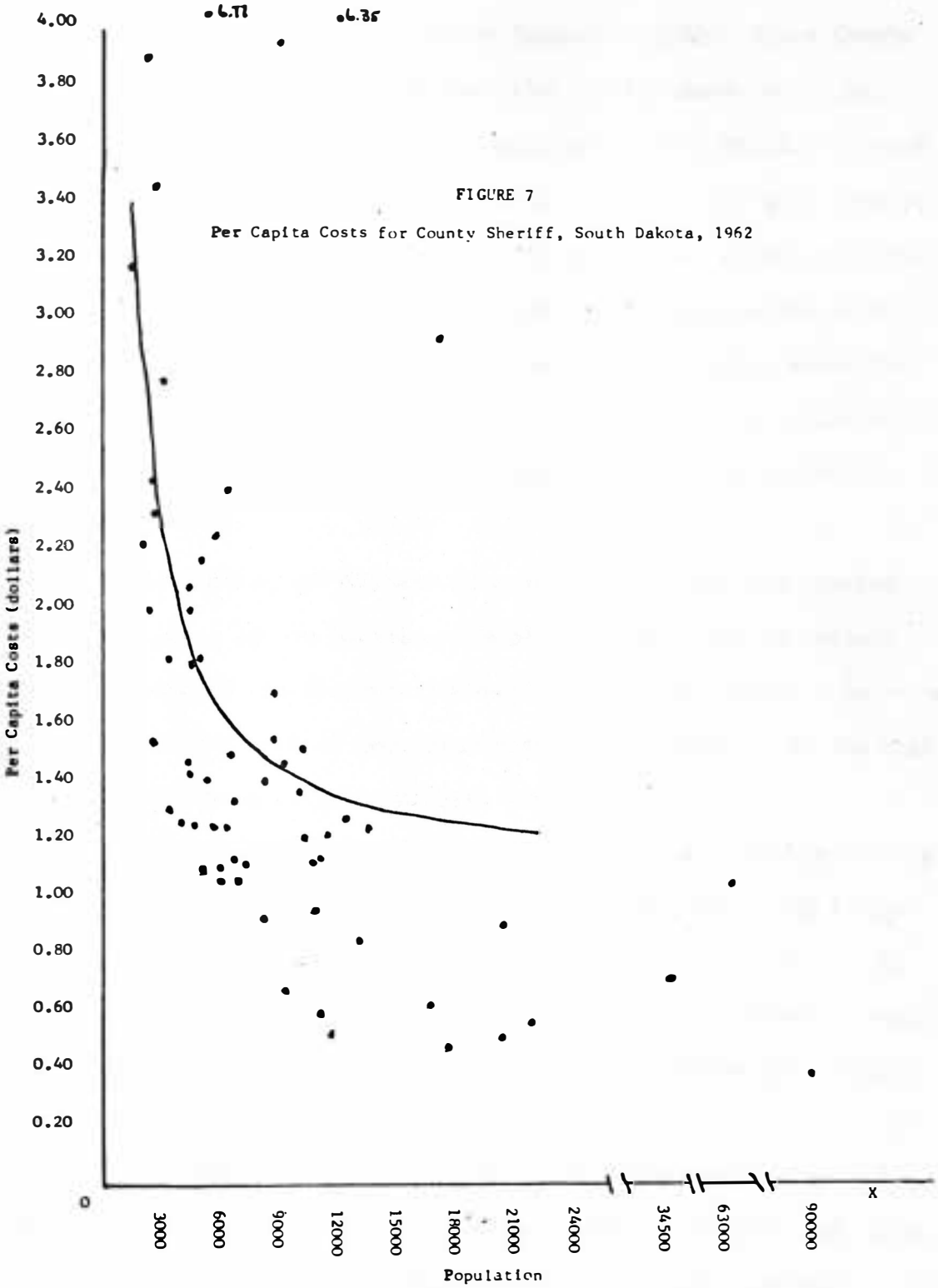

FIGURE 7

Per Capita Costs for County Sheriff, South Dakota, 1962

Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p. 9.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

of $0.13 for Lake County (1962 population-11,800). Miner County ranks number 43 in population and Lake County ranks number 14.

For this function, per capita costs show a declining trend with an increase in county population. Some of the variations can probably be explained by comparison of area size, which may require differences in travel expenses and number of deputies required.

The computed prediction equation for per capita costs for sheriff is: $Yc = 1.07464 + \frac{3488.9755}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted curvilinear line roughly follows the plotted observations. As can be seen, the plotted observations are not closely grouped and the curvilinear line appears odd; it appears to float on top of most of the observations. Evidently, the six high observations tend to hold the line high.

Approximately 14% of the variations in per capita costs can be explained by population variations ($r^2 = 0.13844$). Other unexplained factors enter into most of the variation in per capita costs for this function. Per capita costs for this function could be expected to be only slightly lowered if population in relation to function were increased.

If a freehand line were drawn to fit the observations, the line for the approximate range of 6,000 population to 21,800 population would be much lower. No doubt, the extremely high observations cause the computed trend line to be so high.

Like several of the other county governmental functions it is often recommended that the sheriff should be a hired professional law enforcement official rather than an elected official. The county governing authority could have the power to hire and discharge the sheriff. In this way greater efficiency could be introduced to the job and the sheriff could become a true trained professional law enforcement agent.

Service could be expected to improve because, as a professional law enforcement agent, the sheriff could be skilled in all techniques of law enforcement and could improve the methods of communication and cooperation with other levels of law enforcement agents.

Another alternative would be for the function of sheriff to be part of the state law enforcement organization, and not be elected or supervised at the local level. This would entail hiring, discharging, and supervising from the state level. This alternative could lead to greater efficiency through professionalism, and improved communication and cooperation with other law enforcement agencies.

States Attorney[65]

The states attorney serves as legal advisor to the county commissioners and other civil officers of the county. He acts as the attorney for the county in all court actions to which the county is a party. He can begin and prosecute civil actions for the county

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[65]Cape, op. cit., pp. 62-63.

against the county commissioners when there is cause for such action and when he has been requested to do so by taxpayers' petition.

The states attorney approves the sheriff's vouchers for certain travel expenses.

He checks and signs school bond certificates to show that the bond procedure and financial status of the school district have been checked.

The states attorney represents the county in tax appeal cases involving both the township and the county.

The states attorney may direct that an autopsy be performed on a deceased person if it appears that the deceased may have died by unlawful means. The states attorney may authorize the necessary dissection for a coroners inquest.

The states attorney receives salary based on the size of the county.[66] He receives $4,500 in counties of 2,000 population or less and $100 for each 1,000 additional population or fraction thereof up to and including 22,000 population. In counties with population between 22,000 and 40,000 he receives $7,400. In counties with population of 40,000 or more he receives $7,900. In counties of over 50,000 population and with an area size of over 2,500 square miles, where a full time states attorney is required, the state attorney receives $12,000.

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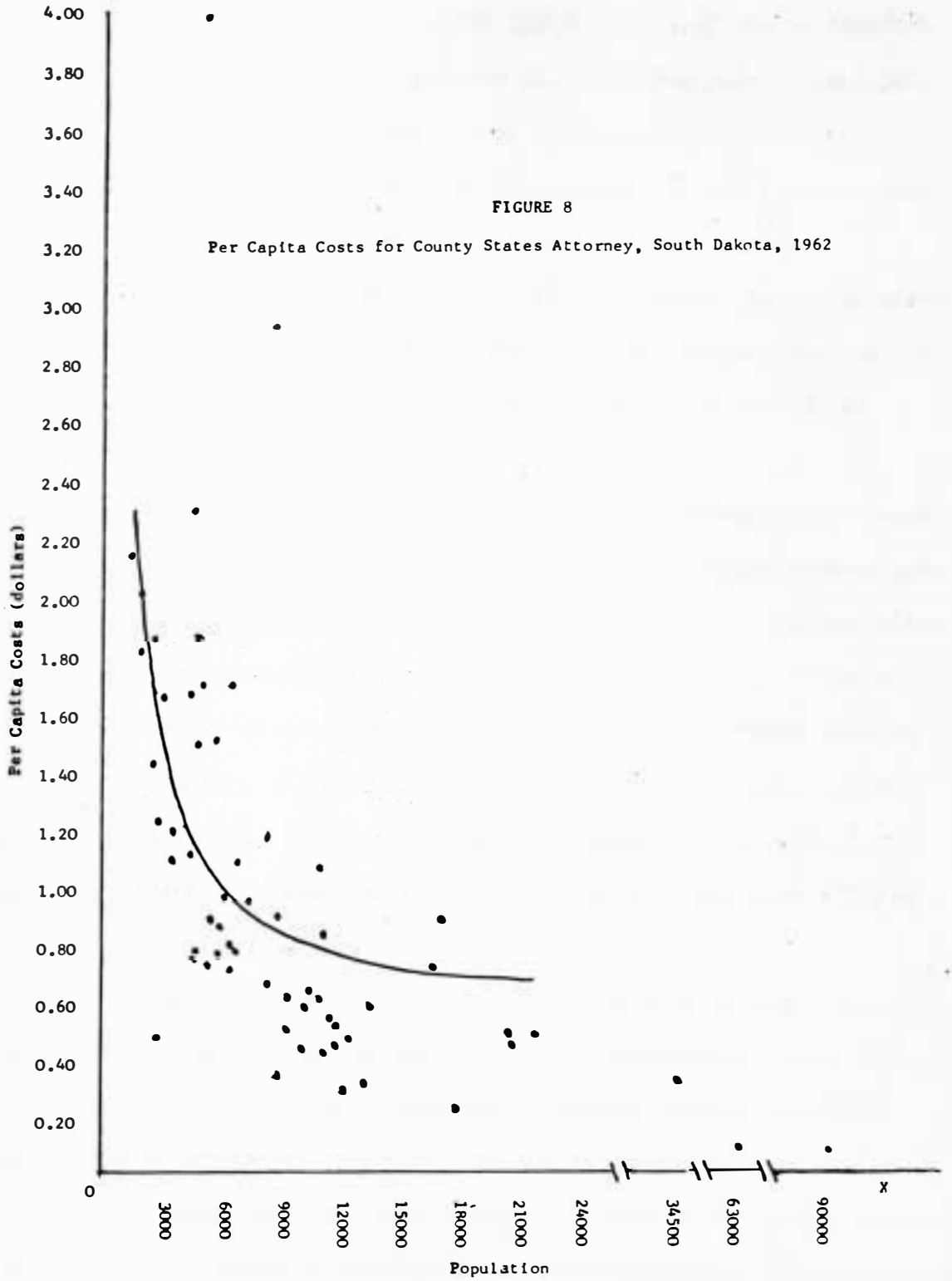
[66] The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, op. cit., pp. 56-57.

FIGURE 8

Per Capita Costs for County States Attorney, South Dakota, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, p. 9.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

Per capita costs for 1962 for the function of states attorney ranged from a high of $3.98 for Miner County (1962 population-5,300) to a low of $0.07 for Minnehaha County (1962 population-90,000). Miner County ranked number 43 in population and Minnehaha was number 1.

The plotted prediction equation for per capita costs for states attorney is: $Yc = 0.56368 + \frac{2596.6763}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted observations are not closely grouped on the graph, so the curvilinear line only roughly follows the plotted observations. Only about one-fourth, 24%, of the variations in per capita costs can be explained by variations in population ($r^2 = 0.24015$). Other unexplained factors enter into approximately 76% of the variations in per capita costs. Per capita costs for this function could be expected to be lowered a moderate amount if changes could be brought about to increase population per function, or discover more efficient ways to perform the service.

The states attorney does not set policy or make decisions for the county and thus could be appointed and not elected. Under the present system, the county commissioners should have the power to hire and discharge.

Also, this function could probably be consolidated with certain other functions into some type of a law enforcement and legal department.

If the county population were increased in relation to this function, this could be a full time position with this official specializing in county legal affairs. This could be expected to lead to increased efficiency and lowered per capita costs.

Court[67]

A county court is established and a county judge is elected at the general election in each organized county. The county provides rooms, furniture and other supplies which the county judge may require.

The county judge sits as judge of the county court.

The county judge receives salary according to the following schedule:[68] 2,000 population or less--$3,000; counties over 2,000 population--$4,000, plus $200 for each additional 1,000 population or fraction thereof up to and including 10,000 population, and thereafter $150 for each additional 1,000 population or fraction thereof. If the county has a city of over 6,000 population within its boundaries, the county judge shall receive not less than the municipal judge of that city.

Notwithstanding the above schedule, in counties of over 30,000 and under 50,000 population the salary shall be $12,000. In counties of 50,000 population or over the salary shall be $15,000.

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[67]Cape, op. cit., pp. 65-67.

[68]The Laws Passed at the Forty-First Session of the Legislature of the State of South Dakota, op. cit., pp. 402-403.

If an unorganized county is attached for judicial purposes, the county judge shall receive $300 for the first 3,000 population of such unorganized county, and $100 for each additional 1,000 population or fraction thereof.

Where a county judge receives a salary of $9,000 or more from one county, he cannot practice law in any court in the state nor can he engage in the private practice of law.

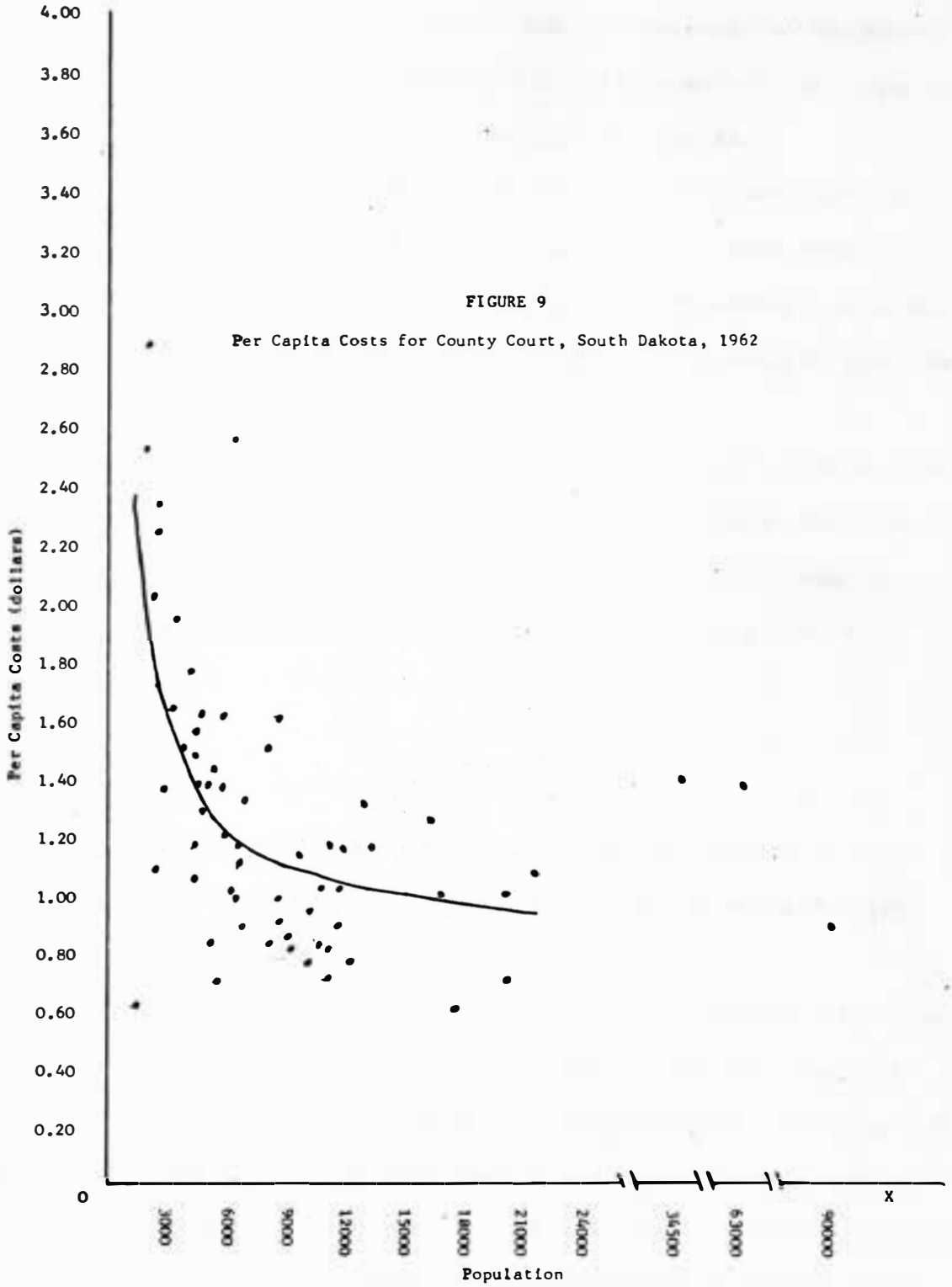
Per capita costs for 1962 for the function of court ranged from a high of $2.86 for Jackson County (1962 population-2,000) to a low of $0.58 for Yankton County (1962 population-17,700). Jackson County was tied with one other county for population ranking of 63. Yankton County ranked number 7 in population.

The computed prediction equation for per capita costs for the function of court is: $Yc = 0.84432 + \frac{2252.7683}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted observations are not closely grouped, so the plotted curvilinear line only roughly follows the plotted observations. Approximately one-third, 33%, of the variations in per capita costs can be explained by variations in population ($r^2 = 0.32580$). Per capita costs for this function could be expected to be lowered a moderate amount if county population were increased in relation to this function.

FIGURE 9

Per Capita Costs for County Court, South Dakota, 1962



Sources: Expenditures: South Dakota Division Of Taxation, Classified County Expenditures, 1963, p. 10.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

Some administrative costs of this function may be decreased if this function were consolidated with certain others into some type of a law enforcement, legal and judiciary department.

The county judge does not set policy or make decisions for the county, and thus, probably should not be an elected official. This official could be hired based on his qualifications and merit. Under the present system, the county commissioners could be given the power to hire and discharge this official.

Another alternative would be for the county judge to be a part of the state judicial system. Under this system, the state supreme court could appoint the county judge. The county would then have nothing to do with appointment, election, or supervision of this official.

Assessor[69]

The county commissioners appoint a county director of equalization. The county board furnishes an office and necessary supplies to the director of equalization.

The director of equalization assesses for taxation all property subject to taxation; he supplies price guides, maps and other statistical data; he lists the property in each political unit separately so that complete assessment rolls can be delivered to each unit's board of equalization; he notes changes made by any board of equalization and submits an abstract of all assessed property in the county

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[69]Cape, op. cit., pp. 169-175.

to the state board of equalization; he prepares land valuation maps; and he investigates applications for tax changes.

Assessors may be appointed by townships, school boards of unorganized counties, or cities. These assessors are subject to the recommendations of the county director. The county board appoints assessors if the townships, school boards of unorganized counties, or cities do not do so. The county board may appoint other assessors as it desires.

The county director and assessors list and assess property so that separate and complete assessment rolls for each taxing district can be delivered to the proper boards of equalization.

The county board fixes the salaries within limits set by statute.[70] The salary depends on county population, numbers of deputies, numbers of different sized municipalities and the amount of work involved. Necessary travel expenses are also paid.

Per capita costs for 1962 for the function of assessor ranged from a high of $2.88 for Jones County (1962 population-2,000) to a low of $0.29 for Minnehaha, the largest county. Jones County was tied with Jackson County for population ranking of number 63.

The computed prediction equation for per capita costs for assessor is: $Yc = 0.88382 + \frac{2754.5675}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

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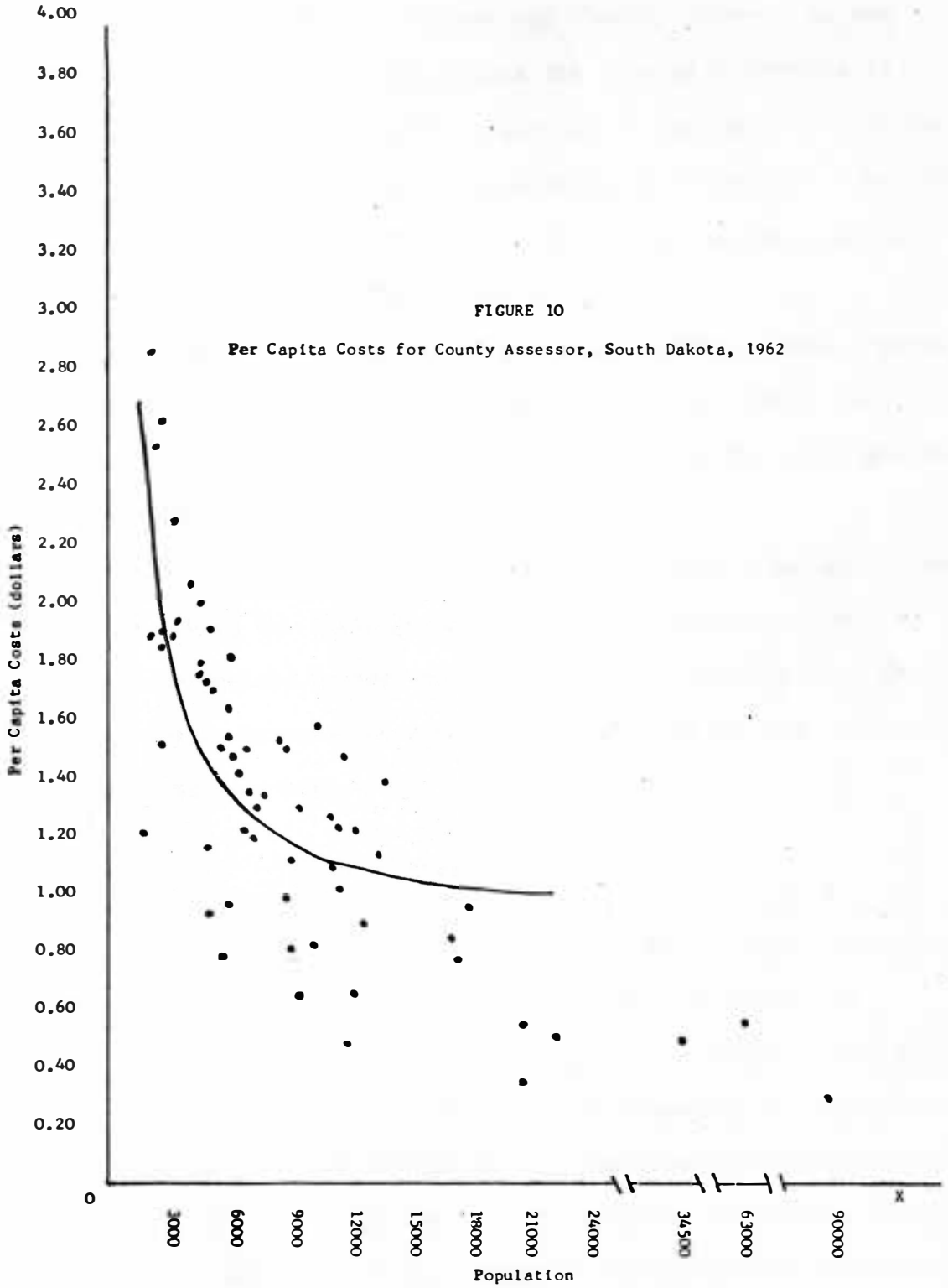
[70]Cape, op. cit., p. 170.

FIGURE 10

Per Capita Costs for County Assessor, South Dakota, 1962



Sources: Expenditures: South Dakota Division Of Taxation, Classified County Expenditures, 1963, p. 10.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

The plotted observations are not closely grouped, so the curvilinear line only roughly follows the plotted observations. Statistics indicate that approximately 44% of the variations in per capita costs can be explained by population variations ($r^2 = 0.43869$). Per capita costs could be expected to be lowered if the population size of the counties were increased.

It appears that the present system of allowing local governments to appoint or not appoint assessors, as they desire, is a very loose method. Under this system, coordination and equity in assessing property may be poor.

For equity to all taxpayers, definite controls and guidelines should be set by the state government and all assessors should be hired and supervised by the county director of equalization. Inequities may be expected when more than one level of local government appoints assessors.

Court House Maintenance

Court house maintenance would include all costs of maintaining the court house building and grounds. Cost of labor for janitorial services and other upkeep would be included in this figure.

Per capita costs for 1962 for court house maintenance varied from a high of $3.97 for Ziebach County (1962 population-2,500) to a low of $0.33 for Brookings County (1962 population-20,400). Ziebach County ranked number 60 in population and Brookings County ranked number 6.

It is expected that geographic consolidation of counties would reduce the costs of court house maintenance by reducing the number of court houses. Also, increasing the number of persons supporting each court house would tend to reduce the per capita cost.

The computed prediction equation for per capita costs for court house maintenance is: $Yc = 0.77275 + \frac{3858.4373}{x}$. The curvilinear line on the graph for this function is plotted according to this prediction equation.

The plotted curvilinear line generally follows the plotted observations. Over one-third, approximately 39%, of the variations in per capita costs can be explained by population variations ($r^2 = 0.38663$). Per capita costs can be expected to be lowered if the population supporting this function were increased.

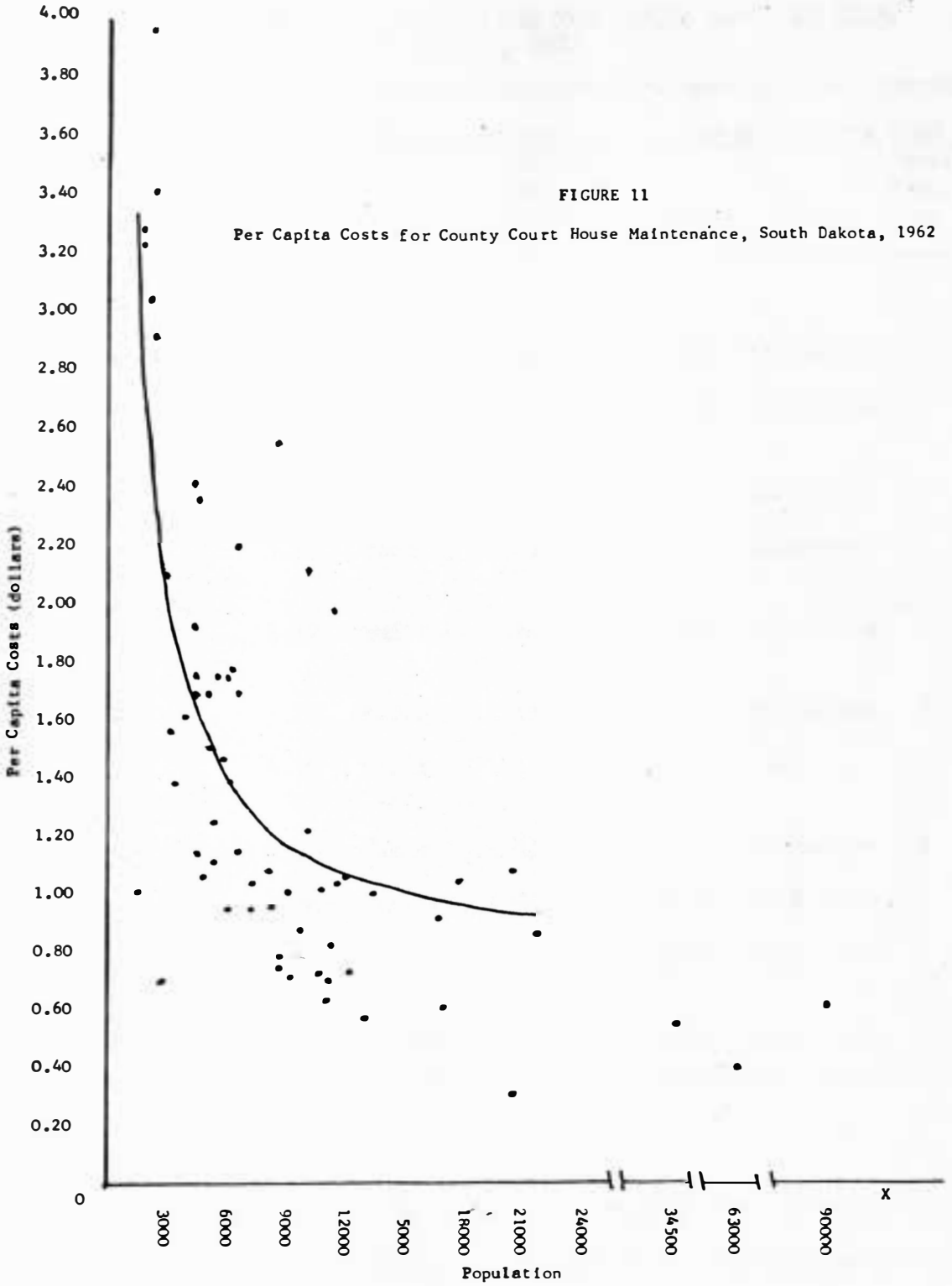
Total Per Capita Costs for the Eleven Functions

Total per capita costs for these eleven functions ranged from a high of $31.24 for Harding County (1962 population-2,400) to a low of $4.91 for Minnehaha County (1962 population-90,000). Harding County ranked number 61 in population and Minnehaha County ranked number 1.

Table 6 is a recap of the counties with high per capita cost and low per capita cost for the eleven selected functions for 1962.

FIGURE 11

Per Capita Costs for County Court House Maintenance, South Dakota, 1962



Sources: Expenditures: South Dakota Division Of Taxation, Classified County Expenditures, 1963, p. 10.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

TABLE VI. COUNTIES WITH HIGH AND LOW PER CAPITA COST, 11 COUNTY FUNCTIONS, SOUTH DAKOTA, 1962

	HIGH PER CAPITA COST			LOW PER CAPITA COST		
Function	Cost	County	County Pop. Rank	Cost	County	County Pop. Rank
County Commissioners	$2.58	Campbell	54	$0.27	Minnehaha	1
Auditor	5.06	Jones	62-63	0.83	Minnehaha	1
Clerk of Courts	2.56	Buffalo	64	0.35	Minnehaha	1
Treasurer	3.89	Harding	61	0.73	Minnehaha	1
County Supt. of Schools	4.12	Buffalo	64	0.14	Minnehaha	1
Register of Deeds	3.18	Harding	61	0.34	Minnehaha	1
Sheriff	6.77	Miner	43	0.13	Lake	14
States Attorney	3.98	Miner	43	0.07	Minnehaha	1
Court	2.86	Jackson	62-63	0.58	Yankton	7
Assessor	2.88	Jones	62-63	0.29	Minnehaha	1
Court House Maintenance	3.97	Ziebach	60	0.33	Brookings	6

Source: Figures 1-12.

It is obvious that the population size of the county affects the per capita cost. Also it can be seen that the difference between

the lowest per capita cost and highest per capita cost for each function is extremely large for most of the eleven functions.

The computed prediction equation for the total per capita costs for the eleven selected functions is: $Yc = 8.72561 + \frac{41297.951}{x}$. The curvilinear line on the graph for total per capita costs is plotted according to this prediction equation.

The plotted curvilinear line closely follows the plotted observations. A very high percentage of the variations in per capita costs, approximately 81%, can be explained by population variations. This gives a high assurance that total per capita costs for these eleven selected functions could be substantially lowered by increasing the population size of the counties.

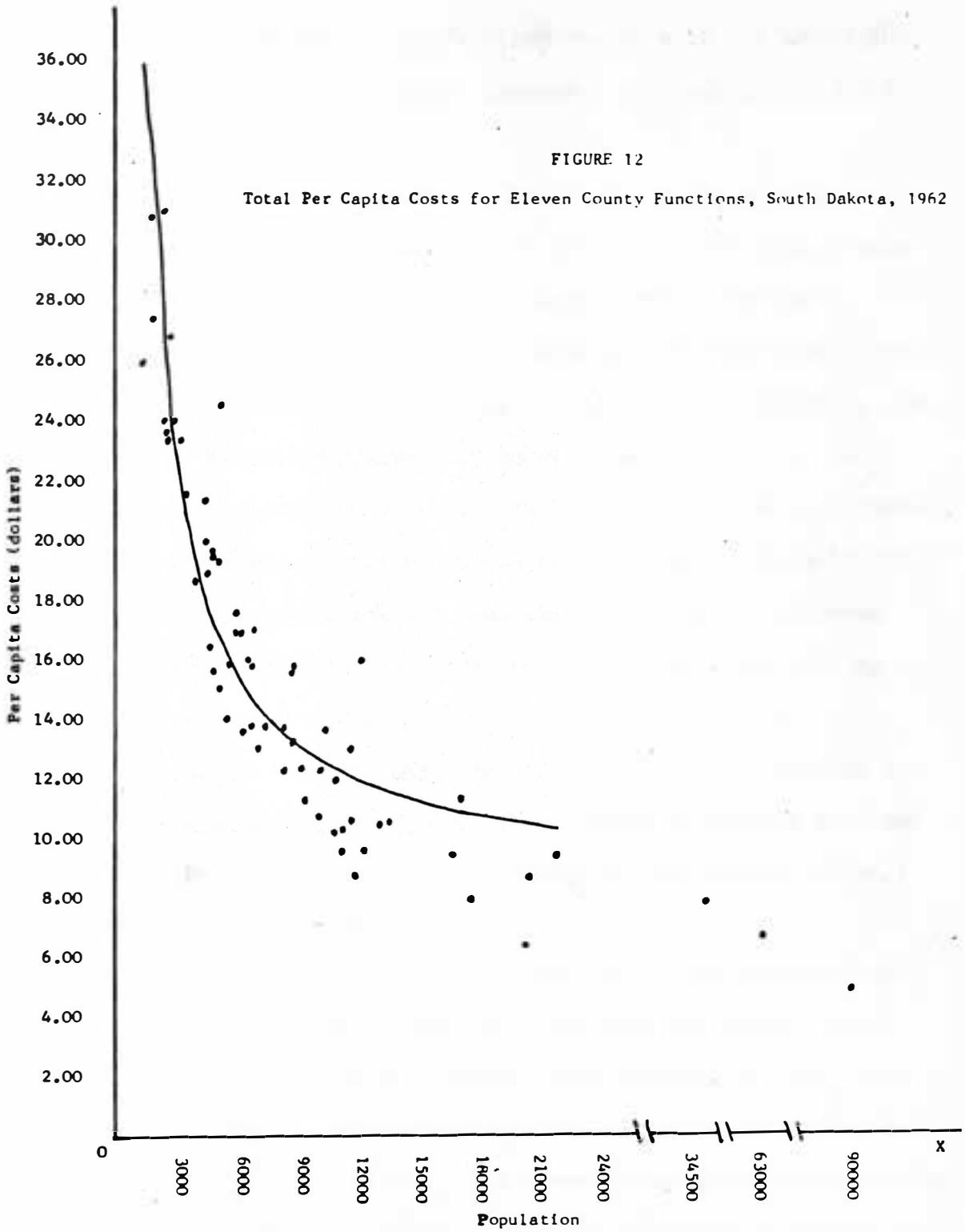
From observing the plotted observations and the plotted curvilinear line on the graph, one can conclude that for nearly all functions, per capita costs can be expected to be lower for the larger counties. The percentage of decrease of such per capita costs would be expected to be smaller as counties increase in size. This cannot be statistically tested for the larger counties of South Dakota because there are only two counties over 50,000 population.

Analysis of Observations

This procedure to achieve greater efficiency in local government operation is also suggested when one studies the graphs (figures 1-12). It becomes apparent that per capita costs could be

FIGURE 12

Total Per Capita Costs for Eleven County Functions, South Dakota, 1962



Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, pp. 7-10.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

lowered significantly for the smallest counties if the population in relation to the function were increased by a relatively small amount.

By observation, a point was selected, on the curvilinear line for each function, where the per capita cost is considerably lower than the high per capita cost experienced by the small counties. If the smallest counties could achieve this population, or a larger population, significant savings could be expected. For example, by observing figures for county commissioners the curvilinear line changes from an almost vertical position to one approximating a horizontal position between the range of 6,000 to 12,000 population. On this basis the population of 9,500 was selected as a minimum population for county commissioners if low per capita costs are to be achieved.

It should be noted that the selected minimum population for total per capita costs is 9,000. This indicates that the smallest counties could expect substantial savings if they could achieve a population of 9,000 or more.

The curvilinear line, drawn according to the computed prediction equation, gives a basis for predicting per capita costs for a given population within the range of 1,500 to 21,800. This was used for the approximate per capita costs of the functions as listed in the following table. The approximate predicted per capita cost for 3,000 population is also shown on the table as a means of comparison.

TABLE VII. SELECTED MINIMUM POPULATIONS TO SUPPORT COUNTY FUNCTIONS, SOUTH DAKOTA, 1962

Function	Population	Approximate per capita costs for function at selected minimum population	Approximate per capita cost per function at 3,000 population
County Commissioners	9,500	$ 1.05	$ 2.15
Auditor	7,500	2.30	3.80
Treasurer	9,000	1.55	2.60
Clerk of Courts	9,000	0.75	1.50
Register of Deeds	7,500	0.95	1.70
Supt. of Schools	9,000	1.15	2.45
Sheriff	9,000	1.47	2.28
States Attorney	6,000	1.00	1.44
Court	7,500	1.14	1.60
Assessor	7,500	1.25	1.80
Court House Maintenance	9,000	1.18	2.04
Total Per Capita Costs	9,000	13.40	22.50

Source: Figures 1-12.

It cannot be definitely stated, based on the county expenditure data for South Dakota, that a county population of approximately 100,000 is the correct number of people to support each function. Data in the above table indicate that individual functions may be adequately supported by populations varying between approximately 6,000 and 9,500.

It is recognized that the population levels in Table 7 were arbitrarily selected based on observations of the curvilinear line on the graph. However, indications are that per capita costs for the smaller counties could be lowered substantially if their population were increased to somewhere within the range of 6,000 to 9,500.

The range of total per capita costs from high to low is extremely large. The highest total per capita cost of $31.24 was 6.72 times as large as the lowest total per capita cost of $4.91.

The graph of the total per capita costs for the eleven selected functions clearly shows the inverse relationship between per capita costs and county population. The occurrences are closely grouped and are in a rough curvilinear shape. The same rough curvilinear shape is present on the graphs for each of the eleven selected functions.

The table on page 80 lists all counties with their population ranking and total per capita cost ranking. Population ranking is from most populous to least populous. Per capita cost ranking is from lowest per capita cost to highest per capita cost.

TABLE VIII. COMPARISON OF COUNTY POPULATION RANK AND TOTAL PER CAPITA COST RANK, 11 FUNCTIONS, SOUTH DAKOTA, 1962

	Population Rank (Large to Small)	Per Capita Cost Rank (Low to High)
Aurora	47	50
Beadle	4	8
Bennett	56	57
Bon Homme	24	18
Brookings	6	2
Brown	3	4
Brule	36	39
Buffalo	64	60
Butte	27-28	26
Campbell	54	53
Charles Mix	16	15-16
Clark	32	25
Clay	19-20	12
Codington	5	6
Corson	40	43
Custer	46	49
Davison	9	9
Day	21	29
Deuel	33-34	30-31
Dewey	42	32
Douglas	44	33
Edmunds	38	42
Fall River	19-20	20
Faulk	51-52	52
Grant	23	17
Gregory	31	30-31
Haakon	55	54
Hamlin	37	27
Hand	33-34	44
Hanson	48	35
Harding	61	64
Hughes	10	15-16
Hutchison	17-18	10
Hyde	57-59	55
Jackson	62-63	62
Jerauld	53	46
Jones	62-63	63

TABLE VIII (continued)

	Population Rank (Large to Small)	Per Capita Cost Rank (Low to High)
Kingsbury	25	23
Lake	14	7
Lawrence	8	19
Lincoln	12	11
Lyman	51-52	51
McCook	29-30	21
McPherson	41	38
Marshall	35	37
Meade	13	40
Mellette	57-59	58
Miner	43	59
Minnehaha	1	1
Moody	26	36
Pennington	2	3
Perkins	39	45
Potter	44-45	48
Roberts	11	14
Sanborn	49-50	47
Spink	15	24
Stanley	49-50	41
Sully	57-59	61
Tripp	27-28	34
Turner	17-18	13
Union	22	22
Walworth	29-30	28
Yankton	7	5
Ziebach	60	56

Sources: Expenditures: South Dakota Division of Taxation, Classified County Expenditures, 1963, pp. 7-10.

Population: Commercial Atlas and Marketing Guide, 1963, p. 403.

The relationship between the ranking of populations (from large to small) and per capita cost (from low to high) shows a high degree of correlation. Only one county, Meade, did not conform to this pattern.

This strongly indicates the possibility of reducing per capita costs, for residents of most South Dakota counties, by measures that can increase population in relation to the various county governmental functions. This observation is also supported by other studies cited in Chapter I.

Eight of the eleven selected functions have salary scales set according to county population. These eight are: county commissioners, auditor, clerk of courts, treasurer, register of deeds, states attorney, court (county judge), and assessor.

It is interesting to speculate on why salary scales are set in accordance with county population.

It might be assumed that the salary scales are related to the complexity of the tasks to be performed and the need to attract and hold qualified public servants. If so, the larger counties would be in a better position to attract such qualified public servants than would be the case for smaller counties. This may mean that the quality of services is or can be expected to be poorer for the smaller counties. If so, is this fair to the residents of smaller counties?

It should be noted that per capita costs are generally lower for the larger counties, in spite of the fact that most county

officials in the larger counties receive a higher salary because of serving a larger population. This fact suggests that either some county officials in small counties are underemployed or that greater efficiencies are being achieved in larger counties than is the case in the smaller ones.

Some might argue that each resident of the state should receive the same quality of services from the public offices and these services should cost each state resident approximately the same amount. Under present circumstances, it is most unlikely that quality of services and office efficiency is equal from county to county.

Criteria for measuring quality of public services are very imprecise. It would appear, however, that larger governmental units should be able to provide greater specialization and could more efficiently use modern labor saving machines and equipment and thereby achieve more efficiency in use of personnel and facilities.

When considering the inverse variation of per capita costs with population, one should remember that evidence indicates the smaller population counties will continue to decline in population. The smaller rural communities can be expected to dwindle or die out. Farm sizes can be expected to increase and farm population and rural non-farm population will probably decrease proportionately.[71]

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[71]Observations by Dr. Dwight M. Blood at the Annual Economics Club Banquet, South Dakota State University, Brookings, South Dakota, March 31, 1966.

CHAPTER IV

SUMMARY AND CONCLUSIONS

Summary

South Dakota's county governments were created approximately 100 years ago. Few major changes have been made to modernize these county governments. On the other hand, in terms of social and economic characteristics, there is little similarity between present day conditions and those of 100 years ago. Transportation and communication have changed. More and higher quality government services are being demanded and the financing of governmental services has changed both in terms of amount of money spent and levels of government providing the funds.

Per capita costs for county government varies widely from county to county in South Dakota. For eleven selected functions studied in Chapter III, the total per capita costs varied from a high of $31.24 to a low of $4.91.

Per capita costs generally varied inversely with population. Statistical analysis indicated that approximately 81% of the variations in total per capita costs can be explained by the variations in population.

Total per capita costs for these eleven selected functions was lowest for the largest county, population 90,000. This same county had the lowest per capita cost for eight of the eleven functions.

The five lowest population counties had the highest per capita costs for eight of the eleven functions. The county with the highest total per capita costs ranked number 61 out of 64 in sparseness of population.

Thus, in general, it can be said that the population size of the county affects the per capita cost for county functions.

Alternatives for Improving County Government in South Dakota

Five alternatives for modernizing county governments in South Dakota are presented for consideration:

1. Geographical reorganization (county consolidation)
2. Functional consolidation
3. Combined county reorganization and functional reorganization
4. Elect only policy making officials
5. Creation of a county manager

1. Geographical Reorganization

One recommendation, not new in this thesis, is to consolidate counties for the purpose of creating counties having a larger population. The analysis suggests that per capita savings could result for most South Dakota residents if geographical reorganization took place.

The main transportation of 100 years ago was by horse or a team of horses and a wagon. In the smaller counties in the east and

southeast part of the state, a trip to the county seat and back home took a day. Today the same trip could take an hour and a half or less, from anywhere within the county.

A century ago, communications within the county took a matter of days or weeks. Today, instant communication is available by telephone or radio. Postal communications, within a county, today takes about two days.

At the present time there appears to be no over-riding economic reasons for the county to be small in either area or population size. It is recognized, however, that local governments, whether efficient or not, provide employment opportunities. It is also recognized that there are sentimental and political objections to county consolidation. This is a matter for state residents to consider and weigh against possible monetary savings and improved services from county consolidation.

This study strongly indicates that worthwhile savings could be expected in the costs of the eleven selected functions analyzed if population size of counties were increased. These data in Chapter III, of course, are based on counties in South Dakota, which vary in population from 1,500 to 90,000. Per capita costs for all functions generally decreased as population size of counties increased. Total per capita costs for all eleven functions was lowest for the largest county, population 90,000.

Although the other county functions were not investigated in this thesis, there is some evidence that per capita costs for these

functions also varies inversely with population.[72] In some cases, however, per capita costs may not decrease but quality of services might be improved. This may be the case for education. For highways, economies might be achieved from consolidation because of better utilization of personnel and equipment and by more advantageous contracting.[73]

There is some evidence that as the population of counties increases above a certain number, per capita costs per function will not continue to decline. A rapid decline in per capita costs is usually apparent as one analyzes counties up to a population of approximately 9,000. The decline continues to a population of 21,800 and would appear to continue downward as population increases. Since South Dakota has no counties over 100,000 population it is impossible in this thesis to suggest the optimum size of counties for this state. One other study, at least, has assumed the optimum county population to be between 100,000 and 120,000. For purposes of proposing a geographical reorganization for South Dakota, a minimum of 50,000 population for some of the sparsely settled areas and approximately 100,000 for the most densely populated has been used. This is not necessarily a recommendation but merely presented as a basis for dicussion and thought.

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[72] Russell M. Ross and Ethel G. Vatter, The Cost of County Government in Three Iowa Counties. (Iowa City: College of Business Administration, State University of Iowa, 1961), pp. 38-40.

[73] Statement by George Messner, Chairman of the County Board of Commissioners, Brookings County, South Dakota; personal interview.

Using these figures as guidelines for county consolidation, South Dakota would have eight consolidated counties (Figure 13). Under this plan, the present sixty-seven counties would be consolidated, with the smallest having a population of 49,400 and the largest a population of 107,100.

This proposed plan was drawn up based on the primary consideration of population. Other considerations were distance, size of area, natural barriers, existing county boundaries, economic similarities, and Indian reservations.[74]

Per capita costs are based on outlay in relation to the supporting population. It must be recognized that some of the procedures for reducing per capita costs may not necessarily reduce the "out-of-pocket" cost if it means that people must spend more time and money driving to get the service. This may result in shifting the cost from the local unit or general tax paying public to the person getting the service.

Another alternative for consideration in reorganization and consolidation of counties is suggested in a circular recently published by the Cooperative Extension Service of South Dakota State University and the U. S. Department of Agriculture.[75] In that study

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[74]Robert J. Antonides, Some Guidelines for Organizing Economic Development Efforts in South Dakota Along Trade Area Lines, Extension Circular 651. (Brookings: Cooperative Extension Service, South Dakota State University and U. S. Department of Agriculture).

[75]Ibid., p. 23.

the possible county groupings were organized based primarily on consideration of trade areas, economic similarities, natural barriers and transportation. Twelve possible county groupings were proposed with population (1964 estimate) varying from 22,500 to 140,000.

2. Functional Consolidation

If county consolidation cannot be achieved it may be possible to achieve greater efficiency than exists through consolidation of county functions. Savings might be achieved through a reduction in the number of employees, utilization of more automation, and efficiency and streamlining of office procedures.

A finance and administrative service office could be created to combine the functions of auditor, treasurer, register of deeds and assessor. A professional administrative officer could head this department and could supervise all service aspects of the combined functions.

A law enforcement and legal department could be created to combine the functions of states attorney, clerk of courts and sheriff. By designating or creating functional areas larger than a county there might be enough human and physical resources to employ a full-time states attorney. This individual could be the head of this department.

3. Combined County Reorganization and Functional Reorganization

It must be recognized that different functions do not require the same population for adequate support. Therefore, a combined county reorganization along with functional reorganization could be considered.

As data in Figures 1 through 12 indicate that per capita costs are generally lower for the largest counties, up to 90,000 population for South Dakota, it would appear that real savings could be achieved by consolidating counties to create units of approximately 100,000 population. However, it appears that all functions do not need the same number of people for efficient support. The figures in Table 7 indicate that individual functions may be adequately supported by populations varying between 6,000 and 9,500.

Therefore, another alternative for consideration would be consolidating counties, as in Figure 13, to create units with a larger population, plus auxiliary public service centers located throughout the newly created county to provide services without requiring undue transportation difficulties or other inconveniences to the people.

These auxiliary court houses, or service centers, could provide some specific services, but not necessarily house all of the county functions. Record keeping and supervision of many or all major functions could be maintained at the primary court house. In this way, the services could be provided and per capita savings may result.

In this modern age, data processing may offer efficiency and cost savings for some county functions. It would be well to study the possible advantages of data processing for county functions. It has been pointed out that:

> There is practically never a question as to whether an application can be mechanized. The real question is whether it is practical and economical to do so under the existing circumstances.[76]

It appears that the primary value of data processing for counties would be in the area of record keeping. Record keeping through data processing could apply to vital statistics, census data, vehicle licensing, assessing and tax billing, employees payrolls, etc. Information on data processing for county governments is presently available from at least one of the major business machine companies.[77]

The primary advantage of data processing for counties would appear to be both increased efficiency and monetary savings, as pointed out in the following statement:

> Up until the past few years, the big selling point for punched card equipment was in clerical savings. Recently, however, this approach has diminished in importance and more emphasis has been placed on improvements in control, speed, scheduling....[78]

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[76]Robert G. Van Ness, Principles of Punched Card Data Processing. (Elmhurst: The Business Press, 1963), p. 194.

[77]Statements by Donald C. Lockwood, Machine Records Superintendent of South Dakota State University; personal interview.

[78]Van Ness, op. cit., p. 187.

With computers, some functions could be centralized at state level, regional level, or at the primary court house for the large counties. Under this method, services could be provided from auxiliary court houses and reports could be submitted to the centralized functional area.

4. Elect Only Policy Making Officials

Most of the county functions require an official who is proficient in one area, such as accounting or law enforcement. The major policy making officials in the county are the county commissioners, and these are the only county officials who should be elected. All others should be trained professionals, whose appointment to office and tenure in office is not at the whim of the voters.[79]

Savings could occur through increased efficiency and improved services to county residents. These appointed officials could then be trained for the job and, through experience, could become skilled in that position. These individuals could be assured that they would remain in position as long as their performance was satisfactory. As true professionals, these officials could modernize office procedures, adopt new modern equipment, etc.

Under present laws, a well qualified official who does not have an appealing personality and who lacks voter appeal, may serve one term and then be replaced. Continuity may be lacking and

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[79]Austin F. MacDonald, American State Government and Administration. (New York: Thomas Y. Crowell Company, 1960), pp. 245-246.

unqualified personnel may be elected to offices. Individuals should be appointed to these positions based on qualifications and merit.

If the county manager system were adopted, he could be the official charged with the responsibility of making all appointments.

5. Creation of a County Manager

Under the present county government system in South Dakota, administrative supervision of all functions is performed by the county commissioners. The county commissioners meet only a few days each month, thus there is no executive supervision the majority of the time.

County commissioners are elected at large and it can be assumed that, for South Dakota, most of them are farmers or businessmen. The job of county commissioner is a minor part-time duty for the majority of the commissioners and very few of them have executive experience or training.

Adoption of a county manager or county administrator form of government might be considered for South Dakota. This could be an appointive position, with the county commissioners having the power to hire and discharge.

Under the county manager system, there would be executive supervision over all county offices all the time by a full-time professional executive and administrator. The county manager could be trained for the job and be a true professional. He could insure

that all offices operate efficiently and that modern methods and equipment are adopted and used. He could also supervise handling of all county financial matters and could perform audits as required.

As chief executive of the county, the county manager should have the power to hire and discharge county officials, with the exception of the elected county commissioners and possibly the county judge. He could insure that qualified personnel were hired and that they satisfactorily performed their duties. Thus, the county manager could be responsible to insure that the county residents receive the service they desire at the least cost. As the county manager could take the burden of executive work from the county commissioners, the county commissioners could then concentrate on policy formation for the county.

The county manager would be responsible to the county commissioners. His conduct in office would be easily judged by the county commissioners and the county residents. Efficiency and service should improve and these services should then be provided at the lowest possible cost to the taxpayers.

Legislative Action Needed

At the present time there are constitutional barriers which will not allow counties to adopt the alternatives discussed above. If these barriers were removed by legislative action, each county could analyze the various alternatives available relative to their own needs and situation.

It might be desireable to give the counties the power to select the alternatives which they feel would be most beneficial. For example, the counties could have the option of selecting the type of county government, deciding on geographical reorganization and consolidation and deciding which officials are to be elected and which appointed.

The state legislature could consider granting home rule powers to the counties. The intent of such home rule could be "...to enable local governments to deal as they wish with matters primarily local in character, while reserving to the state legislature jurisdiction over statewide matters."[80]

A state aid allocation formula could be devised to encourage the local units to reorganize in such a way as to achieve more people per governmental function and/or more assessed valuation from which various functions are supported.

The above alternatives are not necessarily recommended for all counties. However, some of these alternatives, or combinations of them, may offer desireable possibilities. It is urged, however, that before any alternative is adopted it be analyzed in terms of its impact and effect on the social and economic structure in each county. The evidence indicates that efficiencies can be achieved by county government operations by adopting at least some of the alternatives mentioned.

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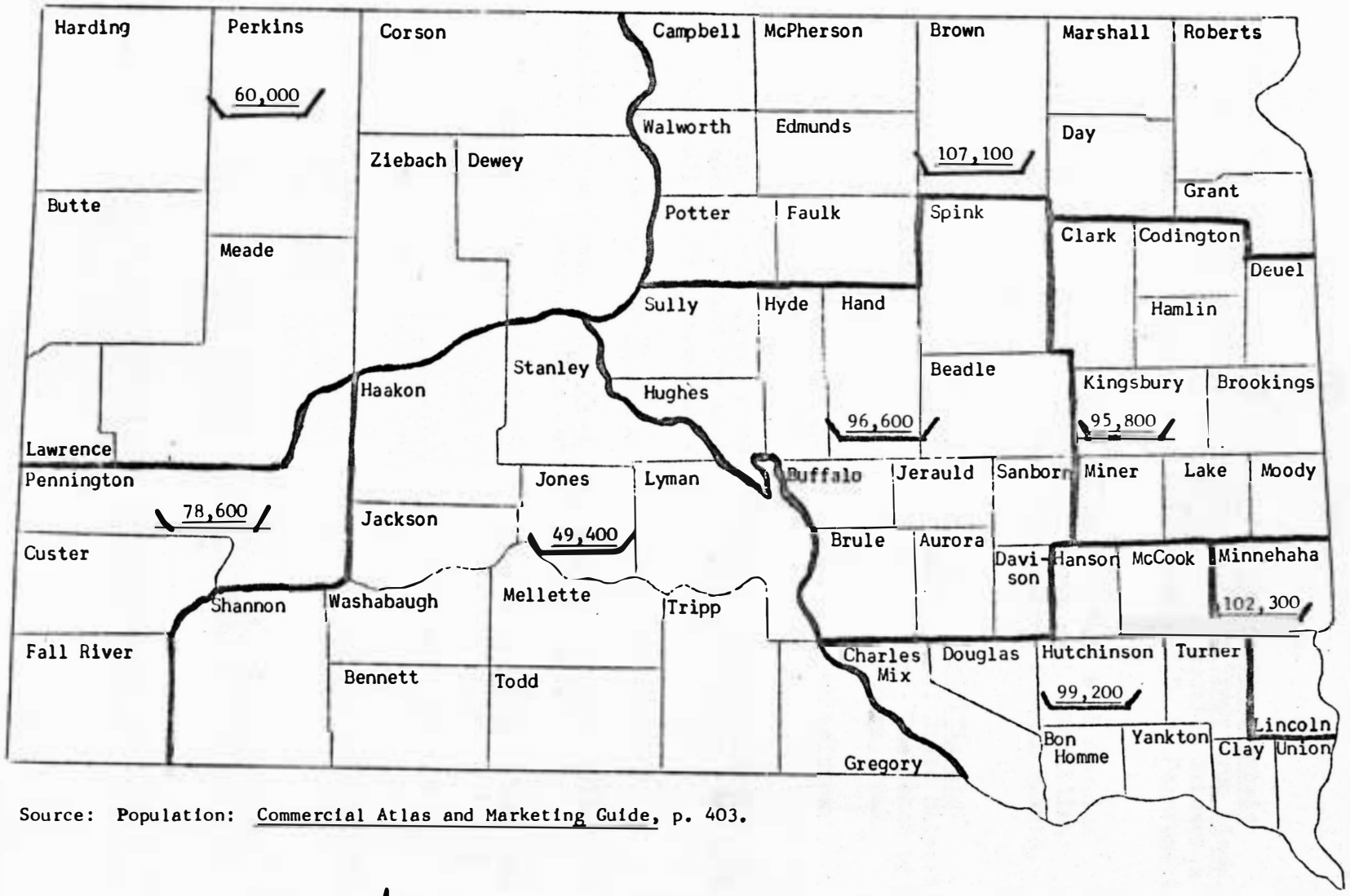
[80]Clyde F. Snider, American State and Local Government. (New York: Appleton-Century-Crofts, 1965), p. 75.

FIGURE 13: A Plan for Reorganizing South Dakota Counties



Source: Population: Commercial Atlas and Marketing Guide, p. 403.

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